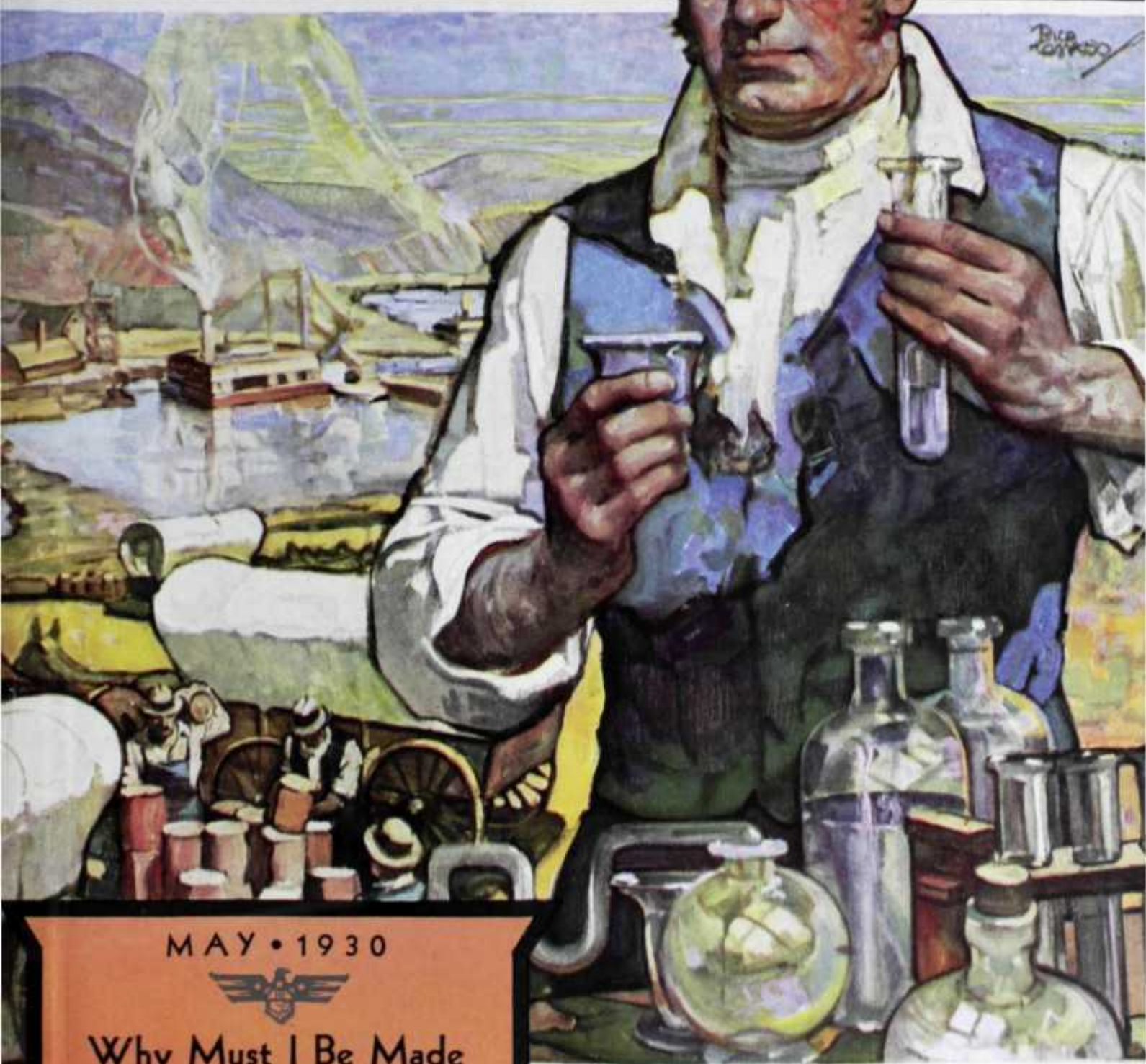


NATION'S BUSINESS



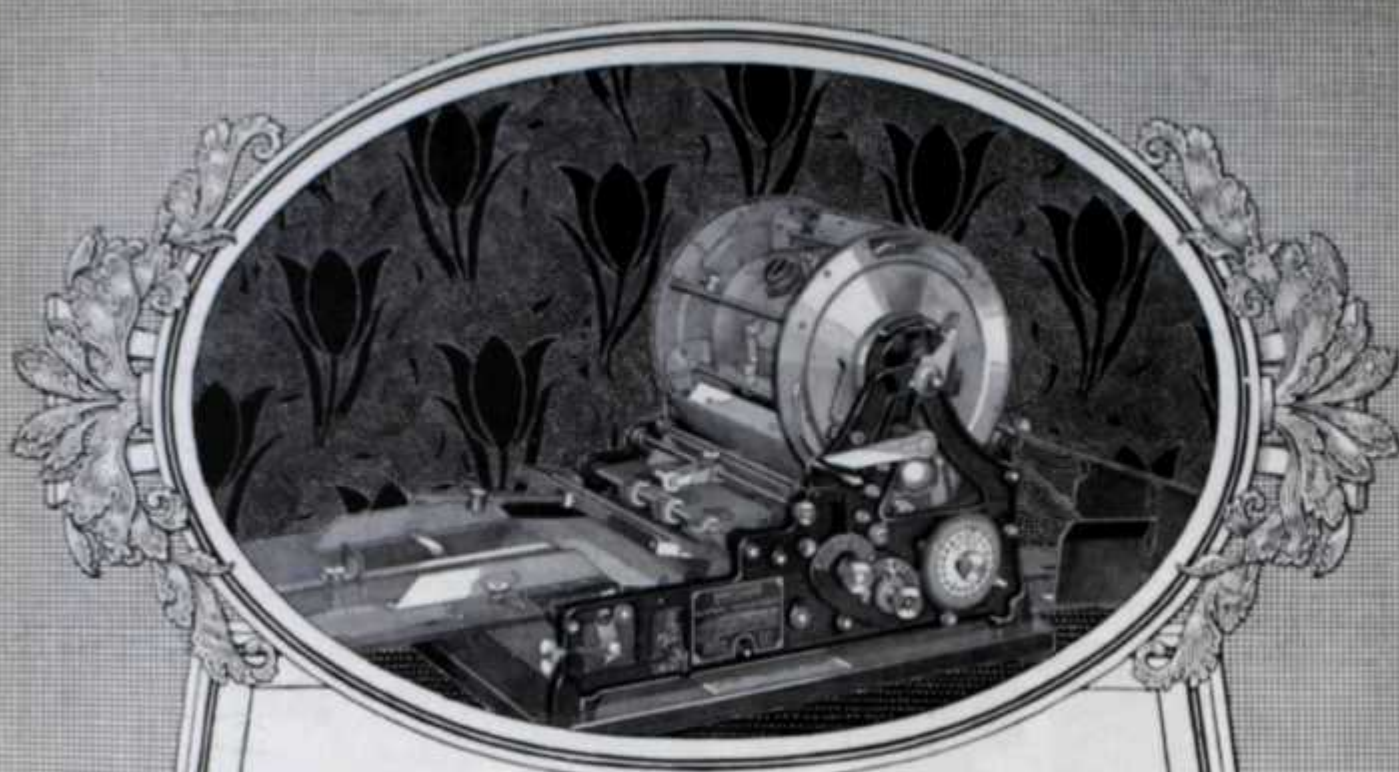
MAY • 1930



Why Must I Be Made
Discontented?

COVER • The Pioneer Industrial Chemist • Page 6

MORE THAN 320,000 CIRCULATION

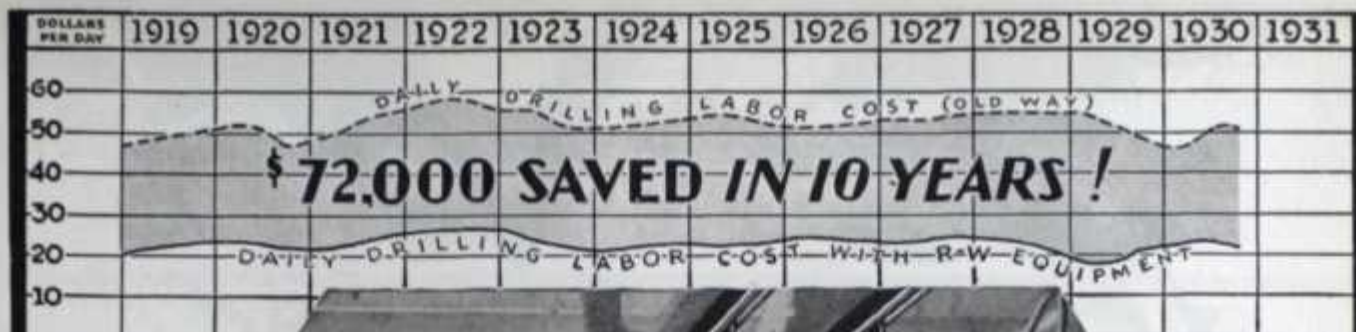


ELIMINATING THE SEASONS

Yesterday business deliberately encouraged seasonal activity. The result was spasmodic effort, periods of rush and over-stress, between periods of lull and no profit. Today business rides on an even keel. It no longer dares to wait the seasons. In the steady, all-year-round driving, which has brought the new epoch of permanent prosperity, the Mimeograph has played a strenuous and important part. Aggressive! Sales-letters, follow-ups, charts, sketches, office communications, price-lists, stock quotations, anything that can be written, typewritten or sketched in line, the Mimeograph duplicates accurately, thousands in every hour. It helps in business-getting. Also it aids in marshalling the organization to the job. Let us tell you about this master duplicator, that needs no experienced operator and assures privacy. Address A. B. Dick Company, Chicago, or 'phone branch in any principal city.

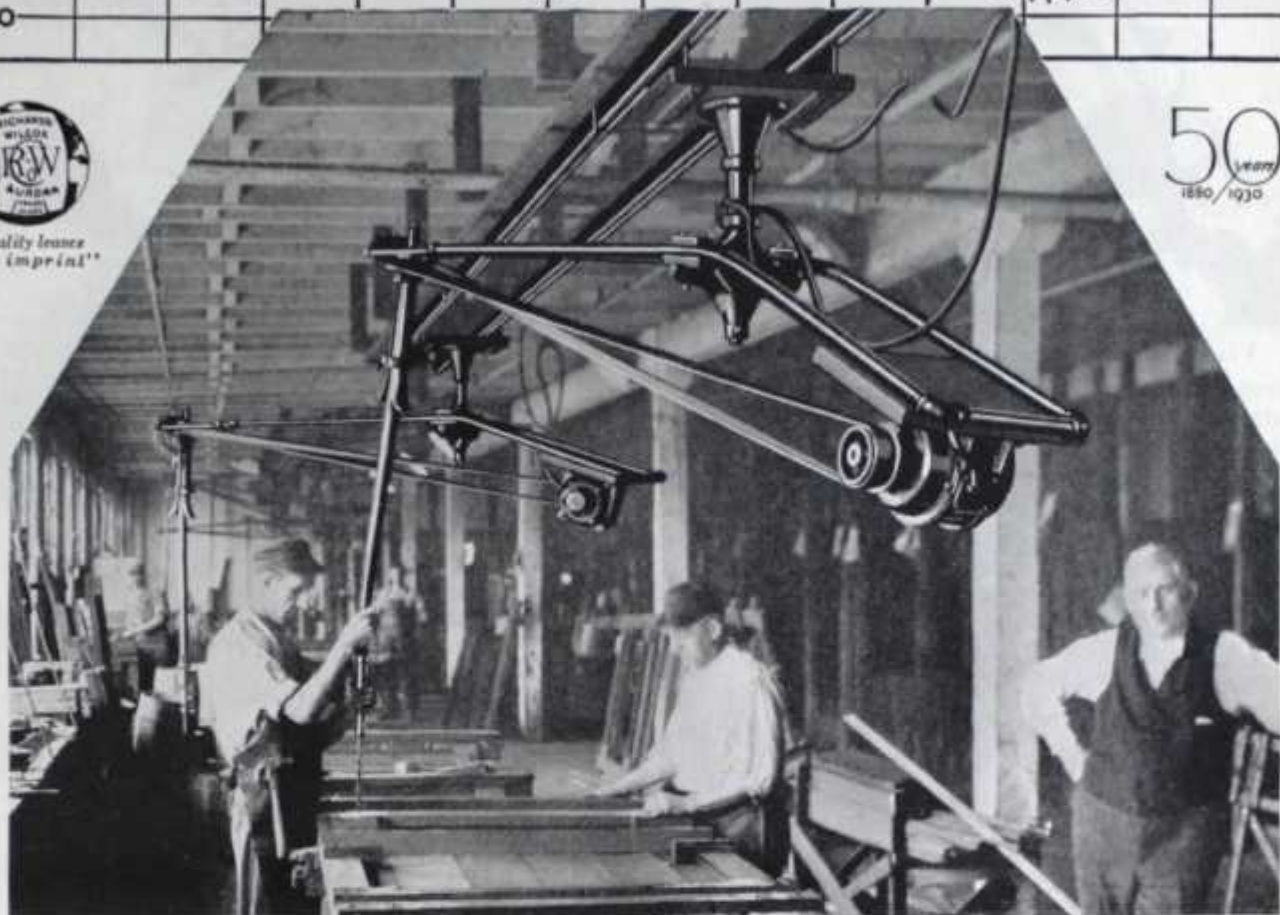
M I M E O G R A P H





"Quality leaves its imprint"

50
1880/1930



Labor saving alone pays many times - the whole cost of Over-Way equipment

Analysis of production in the Hercules Products plant at Evansville, Indiana, shows remarkable time savings since R-W Over-Way equipment was installed. The pay-roll shows drilling labor cut in half (actually saving \$72,000 in 10 years!).

Five electric power drills are suspended from a double line of Over-Way trolley track. Each drill has an operating radius of 12 feet and a longitudinal

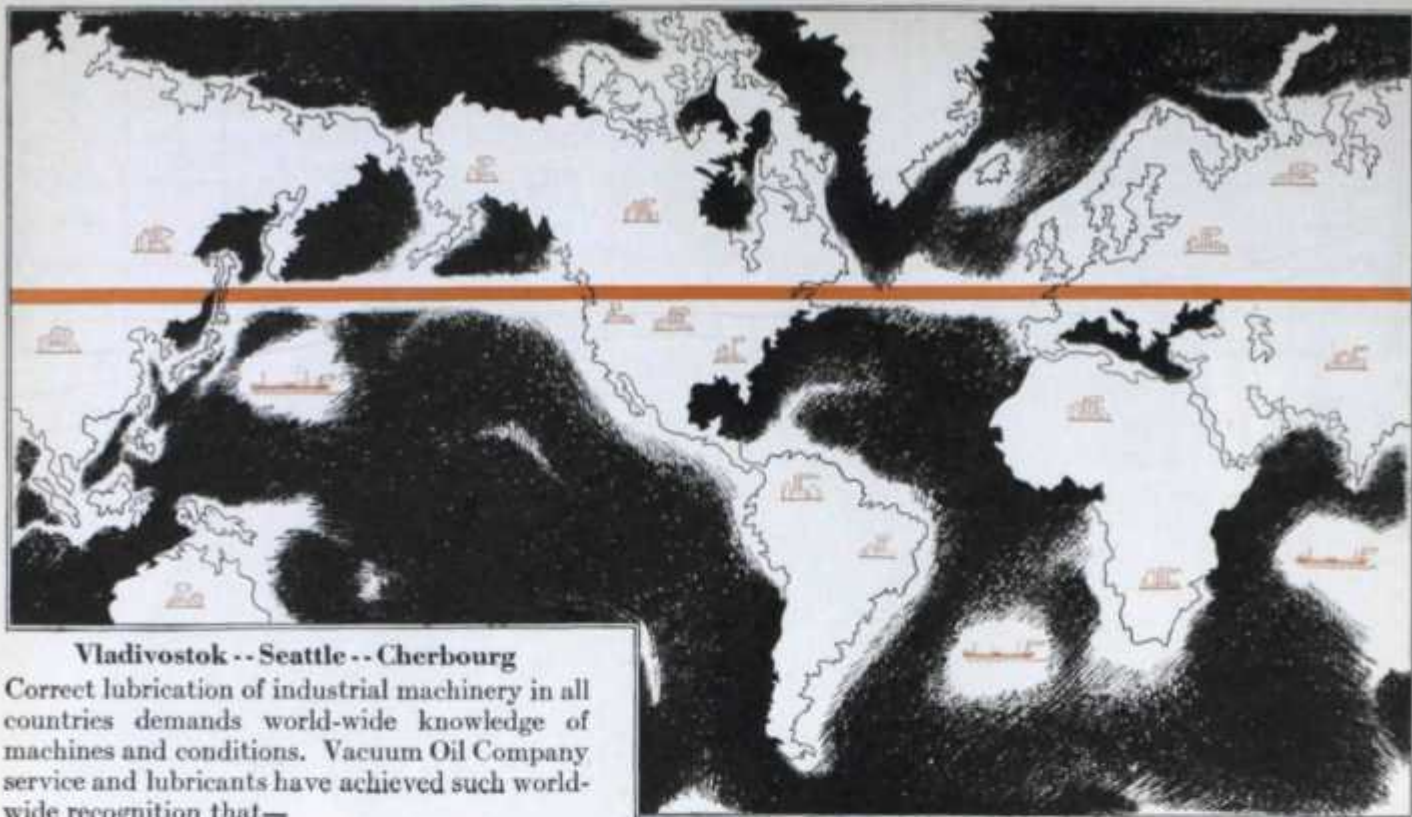
range of 100 feet. One man does the work formerly done by two men. In the core room, an R-W Over-Way has given ten years of equally satisfactory service.

The uses of R-W Over-Way equipment are practically limitless. R-W engineers will be glad to offer suggestions that may save you thousands of dollars annually. Call in an R-W engineer . . . no obligation.

Richards-Wilcox Mfg. Co.

"A HANGER FOR ANY DOOR THAT SLIDES"
AURORA, ILLINOIS, U.S.A.

Branches: New York Chicago Boston Philadelphia Cleveland Cincinnati Indianapolis St. Louis New Orleans Des Moines Minneapolis Kansas City Los Angeles San Francisco Omaha Seattle Detroit Atlanta Richards-Wilcox Canadian Co., Ltd., London, Ont. Montreal Winnipeg



Vladivostok -- Seattle -- Cherbourg

Correct lubrication of industrial machinery in all countries demands world-wide knowledge of machines and conditions. Vacuum Oil Company service and lubricants have achieved such world-wide recognition that—

77% of the world's largest manufacturers* use Vacuum Oil Company lubricants for their exacting requirements

This world-wide experience has covered all types of machinery in every corner of the globe. A paper mill in Mexico, a cement mill in the Argentine, a steam turbine in a South African mine or a Diesel engine in Japan—no matter what the machine or the conditions under which it operates, our engineers have mastered its lubrication problems for the benefit of the world's manufacturers, large and small.

If you are an executive interested in maintaining the largest possible return on your company's investment in plants and machinery—at the lowest production costs—this international experience and acceptance is significant.

Your request for further information incurs no obligation—a lubrication specialist who is experienced in *your* line of industry will respond promptly.

★ Not including oil companies.

QUALITY BRINGS LEADERSHIP



Lubricating Oils

The world's quality oils
for plant lubrication

VACUUM OIL COMPANY

Headquarters: 61 Broadway, New York. Branches and
distributing warehouses throughout the country

When writing to VACUUM OIL COMPANY please mention Nation's Business

NATION'S BUSINESS for May

VOLUME 18



NUMBER 5

CONTENTS

	PAGE		PAGE
The Sophistry of Taxation.....	MERLE THORPE 9	The Oldest Utility Regains Its Youth	CHARLES E. LUCKE, JR. 51
As the Business World Wags.....	EDITORIALS 11	<i>The gas industry saw other fuel usurping its markets so it did something about it. The story of its rise to greater prosperity makes an excellent sermon against hopelessness</i>	
The Tangled Web of Farm Finance	JOSEPH STAGG LAWRENCE 15	They Wouldn't Let Business Fail....	FORREST CRISSEY 54
<i>The Government sponsored the joint stock land banks to improve the farmers' credit position. Now the banks themselves are badly involved. The author of "Wall Street and Washington" reviews the case and explains just what obstacles Uncle Sam encountered in this sally into the banking business</i>		<i>Everybody talks about the saturation point for various industries. The building industry reached that point. Times looked bad, but they weren't. Another market was waiting to be found</i>	
Since Last We Met.....	18	The Plane Makes Poor Men Tourists	HARRIS M. HANSHUE 60
I'm Getting Tired of Being Made Discontented	W. O. SAUNDERS AND THEODORE F. MACMANUS 20	The Map of the Nation's Business....	FRANK GREENE 70
<i>An editor takes exception to what he calls the modern philosophy of business—making people discontented with what they have so they will buy new goods. An advertising man answers his argument. There is much to be said on both sides</i>		Death Valley Has Come to Life....	R. C. HENDERSON 76
Are Chains the Enemies of the Manufacturer?	R. W. LYONS 24	<i>Death Valley was once a desert. Now it's a winter resort and the site of a flourishing industry. Here's an excellent opportunity to bring ideas on geography up to date</i>	
<i>The question of what chain stores are doing to manufacturers and vice versa is one of the lines of the day. A prominent chain store man dissects the situation and arrives at some conclusions</i>		Where We Look for Good Workers	RICHARD S. UHRBROCK 84
Where America Cannot Excel.....	ANDRÉ SIEGFRIED 27	Chicago Plans a New World's Fair	EDWARD N. HURLEY 94
<i>A French economist finds much to praise in American business but he sees some limitations. America, he says, can never compete with Europe in one very wide field. Manufacturers will undoubtedly have an answer for him</i>		Al Smith's No Business Novice.....	ALFRED ALBELLI 98
Mr. Hoover's Business Mind.....	M. S. RUKEYSER 29	What the Chinese Want in Advertising	ROBERT H. POWERS 102
Good Business Needs Good Bridges....	F. S. TISDALE 31	Posting the Airman's Detour Signs	ANDREW R. BOONE 110
When Our Business Methods Meet the Soviet	GEORGE A. BRYANT, JR. 34	The New Cooperation in Industry.....	H. H. RICE 118
<i>Mr. Bryant signed the contract by which the Austin Company agreed to build an entire industrial city in Soviet Russia. Before signing, he studied the Russian situation. In this article he relates the factors which convince him that Russia is sound</i>		Spinach, Prunes and Trolleys....	RAYMOND S. TOMPKINS 120
Why Fear for Future Generations?	HARRISON E. HOWE 37	When a Chain Skids Off the Road....	GEORGE L. MOORE 124
<i>A shortage of wood from which to make lung boxes needed in national defense once alarmed England. Today we are alarmed at a threatened shortage of gasoline. Is there any analogy? The editor of Industrial and Engineering Chemistry sees one</i>		They Do Buy for Quality Today....	JOHN D. BLAINE 131
Embarrassing Moments... Cartoon by	CHARLES DUNN 40	An Accounting for Accountants	RAYMOND WILLOUGHBY 135
Watch New England Come Back....	JESSE H. METCALF 41	Let's Protect the Style Designer....	MARY E. BENDELARI 144
Nation's Business Map of the Air.....	44	Uncle Sam's Books of the Month.....	MARY SLOCUM 162
Steel Kilns that Burn Cement.....	EARL HORTER 46	Now It's Pandora's Box Car.....	MARVIN M. BLACK 169
The New Sales Manual Didn't Cover Revolutions—IT	RALPH MOONEY 47	The British Find Cooperation Pays....	ROLFE BALTZELL 176
		Topics From the Business Press....	PAUL H. HAYWARD 184
		The Pattern of Commerce.....	RAYMOND WILLOUGHBY 190
		News of Organized Business.....	WILLARD L. HAMMER 208
		What I've Been Reading.....	WILLIAM FEATHER 225
		On the Business Bookshelf.....	230
		What Wall Street Is Talking About....	M. S. RUKEYSER 245
		Through the Editor's Specs.....	254

MERLE THORPE, Editor and Publisher

Managing Editor, WARREN BISHOP
Director of Advertising, GUY SCRIVNER



Business Manager, J. B. WYCKOFF
Circulation Managers, O. A. BROWN, L. F. HURLEY

General Office—Washington, Chamber of Commerce Building.

Branch Offices—New York, Graybar Bldg. Detroit, General Motors Bldg. St. Louis, Chamber of Com. Bldg. San Francisco, Merchants Exchange Bldg. Boston, 80 Federal St. Dallas, 1101 Commerce St. Cleveland, Terminal Tower Bldg. Philadelphia, Guarantee Trust Bldg. Chicago, First Natl. Bldg. Atlanta, Chamber of Com. Bldg. Pittsburgh, Chamber of Com. Bldg.

As the official magazine of the National Chamber this publication carries authoritative notices and articles in regard to the activities of the Chamber; in all other respects the Chamber cannot be responsible for the contents thereof or for the opinions of writers.

SUBSCRIPTION RATES: Three years, \$7.50; one year, \$3.00. Please notify us promptly of change of address—Nation's Business, Washington, D. C.



*Irving Trust Company Building
now being erected at
One Wall Street, New York*

Cutting Expenses

50%

WHILE ON a trip abroad, a customer of the Irving Trust Company made arrangements with a foreign bank to finance his company's importations of artificial flowers to the United States.

Upon his return the customer discussed this method of financing with the Irving Trust Company which explained to him that an Irving credit would reduce the expense by at least 50%. Accordingly, the original arrangement was cancelled and a revolving credit of \$25,000 monthly was established with the foreign bank by this Company. This has operated with satisfaction to all concerned.

The Irving credit effects a considerable saving for this customer. It eliminates the need for him to carry a cash balance abroad. It reduces risks to a minimum. It assures prompt and correct payments.

The advice of officers of Irving Trust Company is available at all times to customers seeking the most economical methods of financing foreign trade.

IRVING TRUST COMPANY

Out-of-Town Office—Woolworth Building

New York

Next Month

THE news that Henry Ford had made an agreement under which his company would build automobiles in Soviet Russia caused considerable stir. Many people wished to know whence came Mr. Ford's faith in the Soviet. In the June issue, in an interview with William McGarry, Mr. Ford gives his views of the Soviet and tells what he expects it to accomplish.

Since railroads are his customers, Samuel M. Vauclain, president of the Baldwin Locomotive Works, has spent much of his business life studying railroads. The results are incorporated in an article in which Mr. Vauclain tells what, in his opinion, is wrong with the roads and whose fault it is.

A few months ago the Woolworth Company suddenly bought a tremendous amount of newspaper and magazine space and began to advertise. There were a number of reasons behind the change of policy, not the least of which was Catherine McNelis, a young advertising woman wise beyond her years in merchandising. She handled the Woolworth advertising campaign. In next month's issue she makes some observations about business that are pertinent and thought-provoking.

THIS MONTH'S COVER

Painted by Rico Tomaso

THE time was the early 1800's. Lean adventurers were plodding westward; Fulton's *Clermont* was making its first voyage; the Lewis and Clark Expedition was starting for the Northwest; two young men went hunting. All these events shaped the growth of a nation.

The two young men found their powder was of poor quality. One of the two believed he could make better.

Thus American chemistry came to the aid of those hardy adventurers who were subduing a wilderness. From the humble laboratories of these pioneer industrial chemists went forth a product that played its part both in defense and development. It aided in the building of canals and of highways. It helped to sink mine shafts and to build railroads.

Today, in the research laboratories of a thousand factories, the work is still going forward, with results that are bringing greater comfort to our lives and greater variety to our commerce. To the pioneer industrial chemist this cover is dedicated.

"It's remarkable . . . they *increase sales*
when sales are needed *most!*"



"Why, man, we should have installed them two years ago. Now, let us benefit by what we have learned; let us get Acme Visible Records *into every department, right now!* It is no wonder to me that the country's large advertisers are making such extensive use of this equipment. These firms are going after business, all the time, hammer-and-tongs, they never quit! And as our own installation has proved, Acme Visible Records are a most important factor in the fight for business today."

* * * *

Acme Service, world-wide in its scope, includes far more than merely the placing of Visible Records. It offers, and helps you put into operation, a plan which directly links



together absolute and harmonious control of inventory and purchases with production and sales. Your banker or finance committee will be glad to endorse such an investment for they thoroughly realize the importance of a definite sales program based upon a correlation between Sales, Purchases and Production.

In the past year, actual practice has shown from 5 to 28 distinct Acme improvements made on each record replaced, thus transforming unwieldy non-productive records into profit builders.

Perhaps the demand for sales at a profit has never been as insistent as it is today. Our book, "Profitable Business Control," points the way. You are invited to request a copy of this text. No obligation.

Acme is the world's largest exclusive manufacturer of visible equipment
Offices in Principal Cities

ACME VISIBLE RECORDS

PROFIT BUILDERS OF MODERN BUSINESS

----- MAIL THIS COUPON TODAY! -----

ACME CARD SYSTEM COMPANY, 2 South Michigan Ave., Chicago

NB-1

Without obligation on my part, you may send me your book, "Profitable Business Control." ☐ Have a systems man call for conference.

Name _____ Firm Name _____

City _____ State _____

When writing to ACME CARD SYSTEM COMPANY please mention Nation's Business



Give a thought
to your
TIME EQUIPMENT



**Accurate, uniform time
throughout all departments
is essential**

Maximum production is possible only when all departments of an organization are constantly "in step."

By establishing accurate and uniform time throughout, an **INTERNATIONAL SELF-REGULATING ELECTRIC TIME SYSTEM** makes this result possible. It furnishes *one accurate time* against which all activities are measured — thereby assuring proper coordination.

Send for your copy of "One Time Throughout the Business." It will show you what this time system can do for you.

Such time control justifies your careful consideration. An International representative will gladly furnish you complete information. Just call, write or 'phone him today.



INTERNATIONAL
SECONDARY CLOCK



INTERNATIONAL
CARD RECORDER



INTERNATIONAL
JOB TIME RECORDER



INTERNATIONAL
PAYROLL MACHINE

INTERNATIONAL
EVERY UNIT UNIFORM

INTERNATIONAL TIME RECORDING CO.
DIVISION OF

International Business Machines Corporation

Other Divisions:

THE TABULATING MACHINE COMPANY

DAYTON SCALE COMPANY

GENERAL OFFICES:
270 BROADWAY
NEW YORK, N. Y.



Branch Offices and
Service Stations in
All Principal Cities



The Sophistry of Taxation

SPEAKING of taxes—and who is not?—the tax collector now demands from each of us one day's labor out of each week. All of us, men, women and children, earn yearly around 80 billion dollars. Our tax bill is nearly 13 billion—one-sixth of our total earning capacity.

Look at taxes in another way: One person out of 11 who are gainfully employed is a public employee. Not so long ago we required only one person out of each 22 to perform the services which we demanded of government. A few more of our demands, and it will be one out of ten; then one out of nine, and so on and on. When will we stop saying, "The Government ought to do this, and that, and the other thing"?

Most people think the corporations and the rich pay the taxes. This fallacy, more than any other single thing, is responsible for our increasing tax burden. I once observed how skillfully one million dollars was extracted from a state legislature by the argument that most of the money would be paid by the railroads, anyway. The state, the argument ran, would be getting a dollar's worth of university buildings for 50 cents.

But the naked truth is that every man and woman who ate a meal in that state, who bought a suit of clothes, or who lived in a house, helped to pay the dollars which the legislators thought they were taking out of the hide of the railroads.

The railroads simply collected it from the people who shipped freight or bought goods which some one else had shipped.

Another fallacy is that everything from the Government is free. Free seeds, it used to be; now free publications, free advice, free help, free this and that. Such a ghastly joke! There is no such thing as free government, any more than there is free rent, free clothing, or free groceries. Government costs real money. Every self-supporting citizen shares his income with

the million-odd men and women now on government pay rolls.

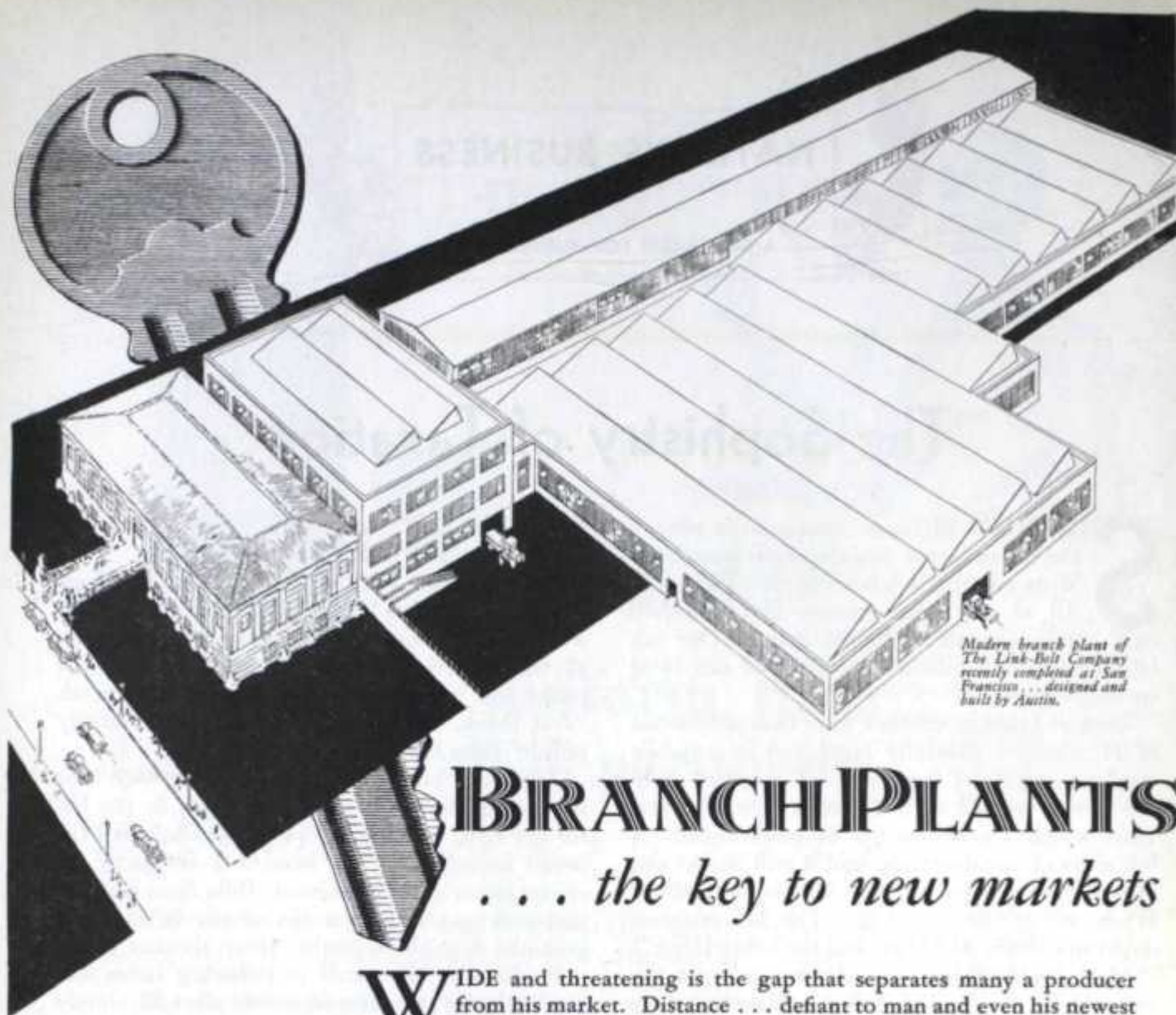
A gentleman, visiting Washington, hired an old ducky to drive him around to see the sights. The ducky grew enthusiastic. He waved his arm at the Botanical Gardens, the museums, the parks and monuments, and said to my friend, "Jest think. It's all free. It don't cost nobody nothin'. The Gov'mint pays for it."

Taxes are hidden in everything we buy. The landlord passes on part of his taxes in the bill for our rent; the baker wraps them up with the bread he sells us. The insurance company includes them in its premiums. Bills from butcher and milkman include a tax as surely as if the postman brought a notice from the tax office.

Business is interested in reducing taxes, not alone selfishly, because business, after all, simply collects taxes from the consumers of things. Business sees money wasted which might be used by individuals to get those things which would give greater happiness and contentment—house furnishings, or a trip to Europe, a new carpet sweeper, or a set of books. Business sees clearly that it is the consumer of things who pays, and because that consumer does not know that he pays, that he is apt to advocate and urge an expenditure which he would never favor if he knew that it was to be paid out of his pocket.

When the individual understands clearly that he pays the bill, he will consider more carefully increased government appropriations and services. If each man who signs a petition or writes a letter to a congressman or state legislator, urging a public expenditure, were required by law to enclose his check for his part of the expense, there would be sharper scrutiny of such proposed activities.

Merce Thorne



BRANCH PLANTS ... the key to new markets

WIDE and threatening is the gap that separates many a producer from his market. Distance . . . defiant to man and even his newest modes of transportation . . . takes its toll in dollars and hours.

Modern business, however, finds a solution in branch plants and warehouses . . . up-to-date straight line production units or proper warehouse facilities wherever markets may dictate the necessity.

To those executives interested in new facilities, either at present locations or other strategic points, Austin offers a complete designing and construction service that assures speedy completion and low total cost on any project anywhere.

To this complete building service is added a unique feature—Austin's local knowledge, plus nation-wide experience.

Even though your project be a thousand miles away, Austin Engineers at the office nearest your headquarters contact with you and furnish complete information, including daily construction reports, through efficient co-ordination between this office and the one directly responsible for the branch project.

Approximate costs and valuable building information can be secured within 48 hours from the nearest Austin office. Wire, phone, write or send the memo.



Design, construction and building equipment . . . separate responsibilities ordinarily become one unified responsibility under The Austin Method. One organization handles the complete project under one contract which guarantees in advance, total cost, time of completion with bonus and penalty clause if desired; and quality of materials and workmanship.

THE AUSTIN COMPANY

Engineers and Builders • Cleveland

New York Chicago Philadelphia Newark Detroit Cincinnati Pittsburgh St. Louis Seattle Portland Phoenix
The Austin Company of Texas: Dallas The Austin Company of California: Los Angeles, Oakland and San Francisco The Austin Company of Canada, Ltd.

Memo to The Austin Company, Cleveland—We are interested in a . . . project containing . . . sq. ft. Send me a personal copy of

☐ "The Austin Book of Buildings." Individual . . . Firm . . . City . . . NB 5-30

When writing to THE AUSTIN COMPANY or its branch offices please mention Nation's Business

NATION'S BUSINESS



Published at Washington by the Chamber of Commerce of the United States

MERLE THORPE, Editor

As the Business World Wags

THUS WE MAY SEE, QUOTH HE,
HOW THE WORLD WAGS—*As You Like It.*

What of the Bank Mergers?



THE stock market tumble and the recession in business may have checked but did not prevent mergers. The union of the Chase National, Equitable Trust and Interstate Trust to make the world's greatest bank was an outstanding event of recent business history.

Resources \$2,800,000,000, deposits \$2,100,000,000, capital funds \$500,000,000—these are startling figures.

Places and titles had to be found for executives and the new big bank will have:

Winthrop W. Aldrich, former president of the Equitable, as president.

Charles S. McCain, former president of the Chase, as chairman of the board.

Albert H. Wiggin, once president of the Chase and then chairman of its board, as chairman of the governing committee.

John McHugh, who also served as a president of the Chase, will be chairman of the executive committee.

So soon as the Chase-Equitable merger was settled, rumors began to be revived and promptly denied of a union of the Bankers Trust, Guaranty Trust and New York Trust, which would make an institution of some \$2,500,000,000 in resources.

The natural and at present unanswerable question is this: Is the tendency towards fewer and larger banks to go on until we are in a position more nearly like that of Canada? Or Great Britain? Or will the mergers be confined to our large cities?

And if the number of banks keeps on declining and the banks themselves grow bigger what will be the effect on the growth of small communities and small industries?

The Index of Car Loadings



CAR loadings for the second quarter of 1930, the American Railway Association estimates, will be 4.2 per cent under the loadings for the second quarter of 1929. For the first quarter of 1930 it predicted that car loadings would be

only 0.6 of one per cent less than the first quarter of 1929, but its final figures will show that that estimate is far too optimistic. Car loadings were less by much more than 0.6 of one per cent, bad weather in February playing an important part.

Perhaps the second quarter will err on the other side. Let us hope so.

In individual commodities the largest expected losses by percentage are looked for in citrus fruits, 46.2—explained by embargo on shipments; in ore and concentrates, 20.7 per cent; and in automobiles and parts, 17.4 per cent.

The looked-for increases are in fresh fruits, 13.6; cotton, 11.9 per cent, and cement, 6.7 per cent.

Educating Our Business Men



FILLING the business man full of culture and efficiency is becoming a leading seasonal industry. The colleges, once closed for the warm weather, now throw open their doors to presumably tired business men who are to be refreshed by lectures and round tables. Summer schools, institutes, conferences dot the land. At Harvard executives are invited to take business courses; Williamstown beckons the business man to a discussion of world politics; Penn State proposes courses in factory management by "outstanding industrial engineers;" University of Virginia holds a conference at which all sorts of social questions are tackled if not settled. And the list might be stretched out indefinitely.

Chamber of commerce secretaries and trade association executives have a school in Illinois and another in California.

Perhaps the time will come when all business men will go to school in the summer and all children to summer camps. What a rest for Mother!

A Bull Rampant on a Golden Field?



PERHAPS everlasting sunshine would in the end become as intolerable as eternal rain. Fortunately nature does not ask us to submit to the test. Yet some such phenomenon is being demonstrated in the temperament of the American people. When the stock market slid down

hill last fall no one expected that speculative excess had been forever cured.

Nevertheless it seemed at the time to be an object lesson to the extravagant optimism of the public. There was free comment that a spirit of caution would rule where folly had once reigned unchallenged.

We spoke too soon. The exuberant temperament of the American, if the current activity in the stock market be a fair index, remains invincible. Only yesterday we buried our casualties and from the market place rose the shout, "The great bull market is dead!"

Now we have had our first five million share day and brokerage houses throb with life while the ticker falls behind. The share turnover for the first quarter of the year will be about twenty per cent greater than for the corresponding quarter of 1928.

Saving Time For Everyone



TIME is a valuable thing and a waste of the other man's time is pretty apt to be a waste of one's own time.

Out in Chicago is the Matteson-Fogarty-Jordan Company, an advertising agency. They think so much of their own and their visitors' time that to each caller is handed a little folder called *Time*, part of which says:

Our desire is to do everything we can to make it possible for you to see the person you wish to see, at once.

If he is busy you will be given an opportunity of making an engagement with him later—

Or, another person who can handle the matter will see you.

That your waiting time may be kept to five minutes or less is our objective.

Asked if the plan paid, Mr. Matteson said:

We did make some rough computations two or three years ago on the probable earnings of the men who call on us and the figures were quite large. The saving of a very few minutes by everyone of them amounted to a good many thousands of dollars.

This policy aids us as much as it aids those who call on us. When representatives having something to sell us come in and they are convinced that we are doing everything we can to save their time, they extend the same courtesy to us, making their solicitation as brief and as much to the point as it is possible.

Is Our Population More Static?



FOR some years past sociologists have pointed out to us that one of the factors that were helping the country on the downward road to ruin was the movement away from

the farm. The farmer, unexposed to temptation in his rural Edens, was filling the sin-stained cities where factory jobs were more appealing than raising grain and cattle.

The reason was plain. It took fewer men to make the grain and cattle we needed and more things were being made in the factories of our cities and towns. We have heard much talk of "technological unemployment," the unemployment due to the substitution of the machine for the man. The farmer has been one of the great sufferers from "technological unemployment."

But now according to the Bureau of Agricultural Economics there is a check in the farm movement. The Bureau estimates that in 1929 only 1,876,000 persons moved from farms to cities, while in 1928 the migration was 1,923,000, and in 1926 a peak year, there were 2,155,000 persons who became urban if not urbane.

At the same time fewer city folks were leaving for the farms. Only 1,257,000 in 1929, a total of 90,000 less than those who became rural, if not rustic, in 1928.

Are the figures perhaps an indication that our population is growing more static; that people are "staying put"?

It has been almost typical of the United States that in the cities, at least, no man lived where he was born, that New York was full of folk born in Indianapolis and Indianapolis full of native New Yorkers.

Perhaps as we grow older we grow steadier, there is less influx of immigration which once filled our seaboard cities and perhaps helped crowd out those already there, less new land to invite us, less of the spirit of adventure and more of the desire to hold the jobs we've got.

The great open spaces may be closing up.

Relieving the Wheat Surplus?



WHEAT cakes are America's most popular dish if the statistician of Childs' restaurants has his figures straight. By his reckoning, this chain of restaurants in 1929 served

18,000,000 griddle cakes. Those recorded disks did not go down without company—12,000,000 portions of butter and 5,000,000 cups of coffee. What tides of syrup sweetened this consumption we know not, for "vast" is the only measure offered in the company's public statement.

Finished as the earthly mission of the cakes may seem, they are still good for a bit of statistical sleight of hand. Placed "end to end," the story goes, the 18,000,000 cakes would reach from New York to St. Louis. Wheat belts and corn belts have long been popular in the Mid West, but it has remained for the Childs Company to advertise a thousand mile girdle of griddle cakes. Whether or not a census of griddle cakes will stand as an unmixed blessing, it puts another face value on the stirring call for "batter up!"

Efficiency in Conference



WHY not hold conferences in chairless rooms? Instead of supplying upholstered seats, massive tables, soft light, free cigars and cigarettes, and a carafe of ice water, thus

inviting repose and drowsiness, why not compel the committee to transact its business around a table about the height of a saloon bar? This would give space for the display of papers and blue prints. Otherwise the room would be bare. There would be no pictures, no books or magazines, no telephones, no smoking.

One can imagine a committee gathering in such a place. A tardy member would be promptly reprimanded for causing unnecessary discomfort. Golfers and other story-tellers would be instantly squelched by the owners

of weak arches, who would exclaim, "Save that stuff, let's get to business and get out of here."

The usual custom of assembling for conferences in quarters more comfortable than the office is wrong. It promotes neither mental activity nor sound judgment. What happens is that the members bore each other with dull wise-cracks for an hour. Finally one man looks at his watch, and says to the chairman, "Well, what are we here for? Remember I have to work for a living." The chairman then states the purpose of the meeting, and the discussion that follows is aimless until someone insists that he must leave. Then all rise, and decide the question, or agree to meet again.

The chairless room would end nine-tenths of the nonsense committed "in conference."

Interest in Our Northern Sister



THE latest estimate by the Dominion Bureau of Statistics at Ottawa places the investments of the United States, Great Britain and other foreign nations at one fifth of the national wealth of the Dominion. It is estimated that the United States has the largest investments in Canada, amounting to \$3,286,768,000; Great Britain next with \$2,209,517,000; while all other nations have only \$245,740,000.

While Canada's vast natural resources require outside capital to develop them, it is noteworthy that foreign capital is not the dominating factor in the Dominion. Canadians are estimated to own from 55 to 65 per cent of the securities of all enterprises located on Canadian soil. And Canadian investments abroad amount to \$1,579,074,000, which is a quarter of the amount of the outside investments in Canada.

The United States investments in Canada are divided among government securities, \$857,606,000; railways \$509,463,000; other public utilities \$301,376,000; industries \$1,328,550,000; other investments \$289,791,000. Against this Canada has invested in the United States \$874,626,000, chiefly in securities.

The British investments in the Dominion are chiefly in railways, the amount being nearly half of the total investments of Great Britain in Canada. In industries she has \$323,834,000 and in other investments including government securities \$799,574,000. Canada has \$131,915,000 invested in Great Britain.

The industrial investments of the United States in Canada consist of branch plants for the manufacture of many nationally advertised products and industries arising out of the development of natural resources.

Why Buy One To Cure The Other



THE folks who make and sell autos and those who make and sell radios ought to get together.

For years the American public has been taught that a great virtue of the automobile was that it widened man's horizon, that it gave him vision, that it took the city man out



DRAWING BY THE NEW YORK HERALD-TRIBUNE

Testing him for witchcraft

into the open spaces and gave the dweller in the said open spaces a chance to see what cities held.

And now the National Federation of Radio Associations meets and the delegates are told by their president that there is a great market for radios in automobiles: "Radios kill the monotony of long summer tours. . . . They shorten the distance from city to city."

With all respect to the great automotive industry and the almost as great radio industry we rise to ask:

Why go on long summer tours if they are so monotonous? If we need to shorten the distance from city to city why not take a train?

The Wares In a Magazine



THE essence of business is making and selling. A simple enough statement and one that ought not to be open to argument. One man makes steam hammers and another sells his services as a guide to the Capitol at Washington. Both are in business. But how many of us know exactly what we make or sell? What does NATION'S BUSINESS make and sell? In this issue are 260 pages of information, interest, and entertainment, and we include in the information and interest the 134 pages of advertising.

But there is another thing NATION'S BUSINESS sells and that is *time*—time of other men. It says to the advertiser:

"This magazine is engaging, interesting and impor-

tant. Some 325,000 men give it each month a fraction of their time. We can turn over to you some of the time of each of them. We will let you print your message on a page or half-page or two pages and as this man goes through the magazine he has bought he'll give to that message a little of his time—how much he will give depends in part on your skill in first attracting, then holding his attention."

So NATION'S BUSINESS is a vendor of information, of instruction and of other men's time. And time spent by the reader with advertisements is not time misspent.

Taxes, Problem of Business



would like to know more.

In the April issue of NATION'S BUSINESS something was said of the remarkable responses to the radio talks which the National Broadcasting Company has been conducting each Saturday night under the direction of the editor of this magazine.

At that time the Stock Exchange, its place in the business world and its methods of doing business, shared first honors with the discussion of the future of the small individual business.

Then a talk on taxes brought a new alignment, a new record in number of letters and requests for reprints.

The response was an answer to the oft-repeated assertion that government is inefficient and politics sometimes corrupt, because business men will not take an intelligent interest in them.

Business men are interested in government! Their interest in taxation is not solely a protest against paying out money, it is a resentment against paying out money without a fair return.

Business is interested in taxation; it is interested in government. And properly stimulated that interest can be turned to good ends.

Unchanged for a Hundred Years



familiar tools of industry is just celebrating its centenary and hasn't changed very much in the hundred years.

It was in 1830 that Thaddeus Fairbanks made the first platform scale in St. Johnsbury, Vermont, and in St. Johnsbury, Vermont, are still made platform scales that are substantially the same as those of 1830. To quote a statement from Fairbanks, Morse and Company, the present name of the business:

All scales of every make are built along the same general lines and no changes in general appearance have been made in a hundred years. It is a wonderful tribute to the St. Johnsbury inventor that an absolutely new design, made a hundred years ago, should continue unchanged through all these years.

Until 1830 weighing had been done in steelyards.

WE KNOW that the radio is a quick-recording, sensitive measure of public interest. About the accuracy of that measure the publishing and the advertising world

Erastus and Thaddeus Fairbanks were making saws, plows and stoves while their farmer neighbors were undergoing a hemp craze. Hemp was making their fortunes and the Fairbanks brothers were busy making hemp dressing machines when the question arose: how best to weigh hemp.

The platform scale was the answer and an American industry was born which spread around the world.

And the principles are not much changed. Scales are bigger. They weigh a million pounds or a moving freight train, but they still embody the ideas that a shrewd New Englander worked out a hundred years ago.

Advertisers Are Fighting Back



IS advertising approaching the club and cudgel stage? The makers of cigarets are apparently no longer content with picturing the happy state of men who, dismounting from polo ponies or reclining on yachts, are made happier by a cigaret. No sir, the maker is taking newspaper pages to explain that another cigaret maker is using deceptive advertising; that his cigarets are no better than anybody else's.

And the man who advertises that his cigarets are improved because he has a method of manufacture better than the others' and who says that his cigars are not spit upon by the makers insists that advertising is better for being controversial and points proudly to the sales of his company's products.

Down in Shreveport, W. K. Henderson is attacking the chain stores over the radio without hesitating to call names and Clarence Saunders answers on behalf of the chain store in newspaper advertisements that are full of plain talk.

Meanwhile the automobile industry is quarreling in advertising a little over ways and costs of distribution but is less direct in its language. An advertising agent attacks a maker of small cars without mentioning his name while the maker of small cars defends his methods without mentioning his rival by name.

Perhaps the increased competition that comes with the business recession through which we have been passing may account for the loss of suavity on the part of advertisers.

What'll We Learn From the Census?



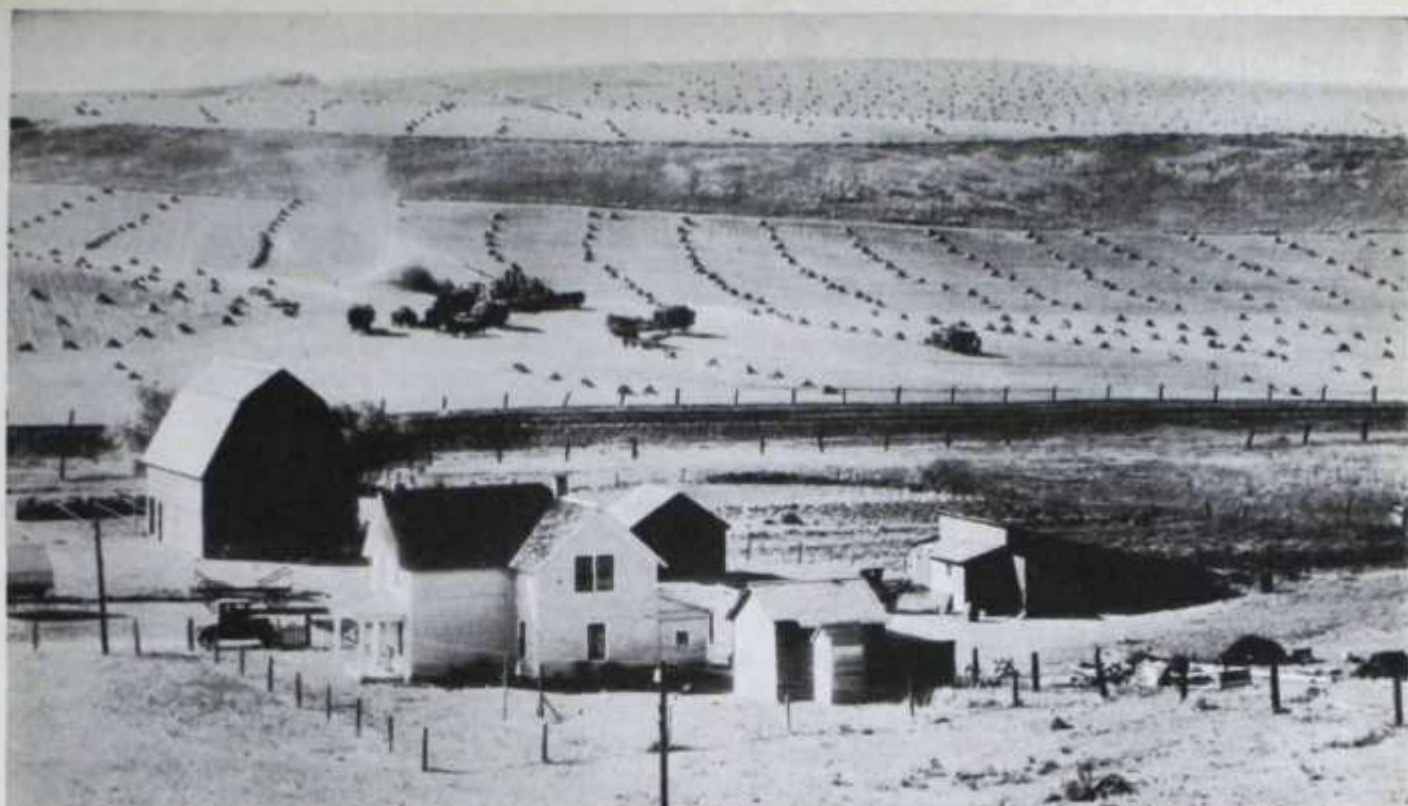
AS THIS is written the decennial census of population is being taken. As it is read say about May 1, the figure taking will be pretty well over. Here are some of the things that folk will ask the 1930 census to tell them:

Is the United States growing as fast as it did from 1910 to 1920? Some statisticians think the rate is slowing up more than we realize.

What is the relative urban and rural population? Are we becoming a nation of city dwellers more or less slowly?

What is the rate of growth of our negro population? Some sociologists look for a marked drop in that rate.

What will the census show on unemployment, an item to be tabulated for the first time?



EWING GALLOWAY, N. Y.

Before the Federal Reserve Act was passed there was a prejudice against real estate as security for farm loans

The Tangled Web of Farm Finance

By JOSEPH STAGG LAWRENCE

Author, "Wall Street and Washington"

- MANY persons bought bonds of the joint stock land banks thinking them government securities. They are not. But that is only one of the misunderstandings that grew out of the Government's effort to provide farm credit

ONCE upon a time a farmer went to a bank to borrow money. True, the banker made money by letting people have it but if the

borrower forgot to return the loan the banker would have to explain to his directors. So he asked certain questions.

BANKER: Have you any collateral?

FARMER: What's that?

BANKER: Stocks or bonds or warehouse receipts or shipping invoices that you can offer as security.

FARMER: No, we have no use for such things on the farm but if you want security I can get Jim Smith to endorse my paper. Jim owes me some money

and said he would go on my paper. [Jim owes everybody else money and an endorsed note more or less means nothing in his life.]

BANKER: That is certainly very nice of Jim. What do you intend to do with this money?

FARMER: I want to buy some acid phosphate to put on my corn. The farm agent said it's good stuff for corn. I would like to feed some hogs this fall and sort of keep the fertility on the farm.

BANKER: When can you repay this note?

FARMER: When I sell the hogs, about nine months from now; that is, if nothing happens. [The banker knows that many things can happen to both corn and hogs.]

BANKER: Can you give us a state-



H. ARMSTRONG ROBERTS, PHILADELPHIA

As an applicant at the bar of credit the farmer was at a disadvantage

ment, something that will show how much you are worth?

FARMER: No sir, never had any use for such a thing. [The banker now excuses himself for a minute to look at the history of his applicant's account. He finds it among the bank's profitless accounts. It is nominal for the greater part of the year and on the occasions when the client sells a cash crop the proceeds rest briefly in the bank and then melt away. He returns to the waiting farmer.]

Easy to blame Wall Street

BANKER: I am very sorry, Mr. Jones, but the bank has loaned every dollar it can spare. We have tried to get some funds from the outside to help our customers but you know how it is in Wall Street today. Those gamblers will stop at nothing. They hog all the money in the country and leave nothing for you fellows. Something ought to be done about it.

FARMER: Yes, something ought to be done about it. [He returns home with an empty pocket but a heart full of indignation and composes a letter to his congressman. The congressman makes an

impassioned plea for farm credit and castigates the nefarious crew in the stock market. He sends a copy of the speech to all his constituents and is re-elected.]

As an applicant at the bar of credit the farmer was at a distinct disadvantage. His peculiar defects as a client made him *persona non grata* to the average banker. Congress finally realized that it would require more than thunderous oratory to obtain for him bank credit comparable to that of the business man.

The legislative body appreciated that it would be necessary to canvass the practices of other nations and summon the wisdom of history before attempting any experiments on the American farmer.

Two commissions were therefore sent to Europe. They were impressed by the Prussian method of collective borrowing. This originated in the days of Frederick the Great after the Seven Years' War, when Europe was in a state of economic bank-

ruptcy and the farmer as usual was at the bottom of the heap.

One day a smart Berlin merchant named Buhringer came to Frederick. Among his customers were a number of Prussian landowners. When depression struck his clients he also suffered. He therefore set himself to the problem of helping his customers.

Said the merchant to the prince:

"Your subjects are down and out because they cannot get credit to help them over this rough spot. The security of the individual landowner is a founda-



H. ARNETT ROBERTS

The security of the individual landowner may not impress the lender

tion of sand for the lender. Therefore no capital is forthcoming. Yet the farmer provides our bread and butter.

Making farm loans safe

"OUR farms ought to be a prime security for loans. If we could get ten landowners together in a one-for-all-and-all-for-one agreement they could borrow collectively where each one alone could not raise a thin pfennig. Ten landowners together offer greater security than ten landowners separately. Band these honest farmers together in a collective security compact and from the nation's savings will gush forth a stream of capital which will restore to agriculture the blush of abounding vitality."

Frederick was impressed. Credit associations were formed in Prussia and Buhringer's vision and optimism were fully confirmed.

These credit associations sold bonds



This farm and nine others united in a Farm Loan Association could borrow money where individual farmers could not

secured by the lands of all the members and passed the proceeds back to the members in the form of loans. For 150 years the system functioned. So highly esteemed were the securities that they never dropped below 50 even during the darkest days of the Napoleonic Wars, although the finest obligations of Prussia itself scraped 20.

While our congressional committees were learning these facts in Europe the Federal Reserve Act was passed and the opportunity to do a kind turn for the farmer was not ignored. The national banks were permitted to lend on the



J. G. ALLEN, WEST LAFAYETTE, IND.

For the modern farmer, willing to cooperate, the Government set up the Federal Land Banks to provide credit facilities



ERNEST CALLOWAY

For those who wanted a simpler system the Government offered an alternative

security of real estate. There had been a prejudice against real estate as security for bank loans.

The Act went far beyond that. For the first time a particular class was singled out for favored treatment.

The law said to the Federal Reserve Banks, "Ordinary paper you may discount for not more than 90 days. Farm paper you must make welcome for six months."

As an additional touch of paternal solicitude the Act was amended to provide another member on the Federal

Reserve Board who was to be a "dirt farmer." It was a gesture of good will and kindly intent toward the farmer, but it was only a beginning.

Farm Loan Act

IN 1916 the ripe fruit of congressional thinking dropped in the Washington orchard. It was the Federal Farm Loan Act in which Uncle Sam designated himself as banker extraordinary and sympathetic to the tiller of the soil.

Twelve banks known as Federal Land Banks were organized. Each had a capital of \$750,000, of which the Government contributed 99.8 per cent in addition to paying a greater part of the costs of organization. These banks could

make loans, not to the farmers directly, but to associations modeled after the Prussian credit associations. The funds were provided by the sale of tax-exempt securities, and the rate of interest charged to the farmer could not exceed the rate at which these bonds were floated by more than one per cent.

Let us follow Bill Jones, the farmer, to see how he borrows under this law. He needs \$2,000. This is within the limit of 50 per cent of the value of the land and 20 per cent of the value of the buildings set by the law as the safe

lending area. Before Jones can get any nourishment out of his Federal Land Bank he must find nine other farmers whose aggregate need for credit including his own is not less than \$20,000. Together they form what the law terms a National Farm Loan Association. It has the right to issue stock. Each share has a par value of \$5. Bill Jones must now subscribe for one share of such stock for every \$100 he borrows.

Farmer doesn't see his stock

THIS part of the procedure is somewhat mystifying to Bill because he never sees the shares. The association holds them as security for the loan which Bill expects to get. Three members are now appointed as a loan committee to examine Bill's character and the security. If they are satisfied that the loan should be made, they approve Bill's application in writing and forward it to the Federal Land Bank of the district with a recommendation to the board of directors of the bank that the loan be made.

As the application goes forward, the association takes the money Bill paid for its own stock and subscribes for an equal amount of stock in the Federal Land Bank. The bank in turn does not pass the stock so purchased over to the association but retains it as security for the loans made to that particular group of borrowers. The shares impose a double liability upon the owners. The bank

(Continued on page 156)

SINCE LAST WE MET ★

MARCH

- 10 • DEPARTMENT of Agriculture says that 16 per cent of last year's wheat crop is still on the farm and 37.7 per cent of the corn. Percentages not far from last year's.

ASSOCIATED GENERAL Contractors report building activity as a little less than last year but looking up except in the residence field where advance is slower.

- 11 • CENTRAL NATIONAL and Manhattan Company banks, both of New York, ready to merge. Resources \$500,000,000—big from the point of view of most banks. Small alongside the Chase-Equitable.

- 12 • STANDARD OIL of New York buys 1,000,000 tons of Russian petroleum products and starts a new fight with Royal Dutch Shell.

GOVERNMENT buying again checks a slump on wheat at the principal markets.

177 CLASS I railroads reported for January, a loss of 28 per cent in net operation income compared with January, 1929.

- 13 • REDISCOUNT rate cut to $3\frac{1}{2}$ %, lowest rate since February 3, 1928. Fourth cut since the 6 per cent figure of October, 1929.

GENERAL MOTORS has 240,000 stockholders, more than twice what it had at the same time in 1929.

- 15 • BATTLE fronts form for the war over the Bethlehem-Youngstown Sheet and Tube merger. "They shall merge," says James A. Campbell. "They shall not," says Cyrus S. Eaton.

- 16 • NEW YORK Board of Trade tells Governor Roosevelt that the peak of unemployment in that state has passed.

- 17 • TRANSCONTINENTAL Air Transport for 1929 showed a net deficit from operations of nearly a million.

J. G. WHITE COMPANY of America will build a \$20,000,000 dam across the Blue Nile in Abyssinia. A British labor govern-

MARCH

ment and King Regent Ras Tafari Makonnen have approved and now Hoover and Stimson must approve.

VAN SWERINGENS, who do unheard of things, do another. They will have banking support both from J. P. Morgan & Company and Kuhn-Loeb & Company.

SAVINGS bank deposits are going up in amount and rate of increase says John J. Pulleyn, president of the Emigrant Industrial of New York. The stock market collapse led to hundreds of millions in withdrawals.

- 18 • BUREAU OF LABOR Statistics reports wholesale prices dropping. With 1926 as 100, their index number for February was 92.1. In January, 1922, it was 91.4.

MERGER of Chase National, Equitable Trust and Interstate Trust of New York completed. Resources will exceed \$2,800,000,000. The world's largest bank. Winthrop W. Aldrich to be president.

- 19 • GENERAL MOTORS reports for 1929 an increase in sales, a decrease in earnings and an increase in assets. United States Steel reports a gross business of \$1,500,000,000—exceeded only twice in peace times—and an increase in net income.

BRITISH bank rate cut to $3\frac{1}{2}$ per cent, the lowest in seven years. Brokers cheer, government obligations go up and there's immediate talk of a further reduction.

- 20 • BROKERS' loans up \$121,000,000, to highest point since December. Money rates down further. Call money renews for a time at 2 per cent, lowest since November, 1924.

MARKET value of all shares on New York Stock Exchange went up \$1,800,000,000 in February.

- 21 • OCEAN mail contracts calling for building in this country of 11 ships costing \$40,000,000 are awarded. United Fruit to build eight; Grace Line one; Roosevelt Line two.

CALL money jumps to $4\frac{1}{2}$ %. Lenders not found at 2 per cent.

A Business Record March 10 to April 8

MARCH

MATHER-EATON-OTIS group of Cleveland buys Corrigan McKinney Steel Company, a \$60,000,000 company which will probably wind up in Republic Steel.

- 22 • LEGGE of Farm Board says he favors revoking Packers' Consent decree.

WALL STREET figures that by the end of 1930 we shall have three great steel companies, United States, Bethlehem and Republic. The guess is that if the Bethlehem-Youngstown merger fails, Republic will get the latter. Other independents to be absorbed by one of the three.

- 23 • INDUSTRIAL output in February was 2 per cent over February of last year. Federal Reserve Board is the authority.

- 24 • SENATE passes tariff bill.

AN OVER-OCEAN line of zeppelins organized. Interested with Hugo Eckener are National City Bank, Goodyear, Aluminum of America, Union Carbide and United Aircraft.

GOVERNMENT starts suit to prevent merger of Vacuum Oil and Standard of New York.

- 25 • HAMBURG-AMERICAN and North German Lloyd form a 50-year merger of interests. Great economies and lively competition to follow. Their tonnage will top the Royal Mail, hitherto the largest.

NEW YORK TIMES says the Van Sweringens now control 18,000 miles of railroad, greatest in private hands in the world.

FIRST 20 railroads to report net incomes for February show a decline of 26 per cent as against February, 1929.

- 26 • JOURNAL OF COMMERCE says that Allied Chemical and Dye, du Pont and American Cyanamid are, by little noticed mergers, gradually dominating the entire American Chemical market.

- 27 • BROKERS' loans decrease despite a more active stock market.

MARCH

- 28 • FEDERAL RESERVE BOARD reports 3 per cent drop in department store sales for February, 1930, as compared with February, 1929.

- 29 • REGISTRATION of motor cars for 1929 was 26,501,443.

- 30 • UNITED GAS CORPORATION of Delaware formed to acquire United Gas, a number of its subsidiaries and Louisiana Gas and Fuel.

APRIL

- 1 • NATIONAL CITY BANK announces a study of returns of 1520 corporations which showed net profits of \$4,150,350,000 in 1929 as against \$3,549,154,000 in 1928.

STOCK EXCHANGE sales 5,395,170 shares. Year's record. Stocks up and men ask: Are we starting a new bull market?

NEWLY chosen board of Goodyear strengthens belief in a Goodyear-Seiberling-United States Rubber merger. Hint that Firestone may come in.

FARM BOARD starts campaign to reduce wheat acreage.

- 2 • MARCH tax receipts \$559,500,000, only \$42,000,000 less than March, 1929.

EX-GOVERNOR SMITH of New York trying to settle 25-year dispute between the unions and some steel erection companies.

BROKERS' loans gained \$488,000,000 in March.

- 4 • STOCK EXCHANGE has a 5,900,000 share day, biggest since November 13, when stocks had their lowest levels.

- 7 • FIGHT over Fox Films ends. Fox out after sale of his 151,000 B shares to Harley L. Clarke who is elected president.

- 8 • YOUNGSTOWN Sheet and Tube stockholders vote in bitter fight over merger with Bethlehem. Opponents of merger claim victory but the many proxies are in dispute.

PRATT AND WHITNEY show a new motor without carburetor burning anything from heavy furnace oil to high test gasoline. Used in an airplane.

I'm Getting Tired of Being Made Discontented

By W. O. SAUNDERS

Editor, the Elizabeth City, N. C., Independent

ILLUSTRATED BY HERB ROTH



As a boy I took a Saturday night bath in a tin pan in the kitchen

WHEN MR. SAUNDERS sent us his indictment of modern business philosophy we had to admit that he painted a black, black picture but it seemed there must be another side to the argument. We sent his manuscript to Mr. MacManus who obliged us by presenting the other side

and use they will make me spend till it hurts.

Now maybe that wouldn't be so bad, but they actually contrive to make me so discontented that I spend beyond my income; and that's what ails this country today.

I, for one, am getting tired of being made discontented.

They made me discontented with my old style phonograph and persuaded me to put in a motorized talking machine that I didn't have to wind. Before I got that paid for they made me dissatisfied with my phonograph and I bought a radio. But they sold me the wrong kind of radio and in six months they had me all dissatisfied again and I had to buy a brand new and different type of radio to get myself satisfied.

They made me discontented with my ice refrigerator. They made me hate the tracks of the ice man. But no sooner had I bought an electric refrigerator than they began to make me dissatisfied by sending expert demonstrators to convince me that I had bought a refrigerator too small; that

what I really needed was a big one with a double icing unit so that I would have abundant ice for the hottest days and a spare ice-making unit for frozen desserts.

I bought the double icer and then I was made dissatisfied with the ice cubes I was getting. Really, modern home decorations demand colored ice cubes. And then, you know, the dry cold of an electric refrigerator wilts your green vegetables and you must buy a lot of new fangled humidair vegetable dishes to use in your refrigerator.

Four to six to eight to what?

THEY made me thoroughly dissatisfied with my old four cylinder automobile and I went into the six cylinder class. Then they told me haughtily that really I would never know the pleasure of driving a car if I didn't have eight cylinders.

I was talked into an eight cylinder car before I had paid the last installment on my six. And before I had my first 500 miles out of the eight I picked up a magazine and saw a double page spread in four colors apprising me that the eight I had purchased had already become obsolete.



I am ashamed to go out in company

THE philosophy of business in our country has had me puzzled for a long time. It goes about like this—the more things we can persuade people to buy, the more things we can sell, the more things we can manufacture, the more labor we can employ, the more wages we can pay, the more money people will have to spend.

I say this philosophy has had me puzzled for a long time; lately I have begun to see through it all and it makes me hot under the collar. It sounds like the theory of perpetual motion in a new guise, but once in a while one of these big advertising guns lets the cat out of the bag in conference and tells us in plain, blunt Americanese that it is the business of Business to keep the consumer discontented. There we have it. If these big advertising guns and research birds can keep me forever discontented with everything I eat, wear

The new eight by the same manufacturer had self oiling spring shackles, better shock absorbers, a musical horn, nonshatterable windshield, two gasoline pumps instead of one, and innumerable new gew-gaws and gadgets. I was immediately dissatisfied with my eight. Now one manufacturer has come out with a 16-cylinder car and is persuading me that my civilized spine has become so fragile that I mustn't risk jolting it in anything less than a 16-cylinder rose colored sedan with violet and gold stripings and two built-in vanity cases instead of one. Where will it end!

As a boy I took a Saturday night bath



The patent medicine makers started it

in a tin pan in the kitchen and got my first tub bath in a barber shop long after I began to wear long pants. When I acquired a home of my own I tore out an 1890 model bath room, built a larger bath room and installed what I considered modern plumbing and fixtures, including a hot and cold shower. In less than

a year I was convinced that I should have a bronze inclosed shower and colored tiles. Indeed, Neighbour Jones took me into his new home and showed me two bath rooms, one in green tiles and one in lavender tiles. You mustn't be content with just one bath room any more; you must have two or more and

each one in a different color scheme.

I was about to install hot water heat and had figured on a furnace and the necessary piping and radiators, but before I could get around to it I was persuaded that I could not be contented with just a furnace; I must have an oil burner and storage tank costing as much as the rest of the heating plant and put thermostatic controls in all my rooms. I haven't got the heating plant yet because I haven't seen my way clear to finance a plant with which I wouldn't be immediately and passionately discontented.

I can't buy a tube of toothpaste or shaving cream without picking up an advertisement to make me dissatisfied with my purchase and ashamed to go out in company because I did not buy

(Continued on page 22)

Only Lazy People Are Contented

By THEODORE F. MacMANUS

President, MacManus, Incorporated, Detroit

THE citizen who sets out to challenge and combat the day and age in which he happens to live has cut out for himself a chore of considerable size.

It is one thing to view with alarm and regret to report. It is quite another and much more troublesome thing to try and be a lone swimmer against the philosophical, economic and sociological currents of the moment.

Any challenge to advertising—of a sane sort—is also a challenge to business of which advertising happens to be merely the voice and the literature.

A sweeping challenge to business is likewise, of course, a challenge to the very essence, and spirit, and expression of the day in which we live.

The poets and philosophers of all times have celebrated in varied and various ways the beauties and advantages of a divine discontent.

The theologian would have little trouble in demonstrating that unless he were stirred and distressed by this divine discontent, poor old Man would have slight chance of rising above the beasts of the field.

The educator can quickly demonstrate

the same thesis insofar as it applies to the cultivation of the intellect.

The biologist and evolutionist proceed a step further and indicate that Man has small choice in the matter—that his discontent (divine or otherwise) renders him the slave of an irresistible process of dissatisfaction with himself and therefore of progress and development.

Discontent helps progress

IN RELIGION, in learning, in his social expansion, in the very law of his being, man is compelled to discontent, or forced to face the terrible alternative of never even arriving at first base much less circling all four bags.

Perhaps it is not especially important that he should get to first base or ever make the home plate at all.

But there you are. Man is
(Continued on page 23)



The most contented individual is an untutored savage with a full stomach



Women's wear makers developed a fine art of keeping women discontented

I'm Getting Tired of Being Made Discontented

(Continued from page 21)
an entirely different brand.

Making folk discontented is no new thing. The medical nostrum makers started it way back in the last century. They not only made one discontented; they actually made him sick. They took all the common aches and pains and fears and grouches with which humanity generally is afflicted and worked them up into harrowing symptoms of every known fatal malady. Any normal person could read the patent medicine advertisements and instantly acquire a terrible sickness. After acquiring your favorite malady by reading the patent medicine literature, you of course recovered by buying six bottles of the advertised nostrum.

Women are well discontented

THEN the makers of women's wear seized upon the idea and developed a fine art of making our women folk discontented with the clothes they wore, making it necessary for women, to be contented, to buy new wardrobes every season and keep abreast of the styles. By raising and lowering skirts, shifting the waist line, altering sleeves and necks the fashion makers kept the women so discontented that it finally became the custom for thrifty women who had made



The piano makers were working much too fast

one dress do for a season or more, to demand a new dress every few weeks.

We men folk never quite realized how we were being preyed upon by the needle craft industries, because we never paid enough attention to the women's magazines. In the meantime every quantity producer of merchandise of every description was taking the tip from the women's wear manufacturers and going into these same

women's magazines to make the women discontented with everything in their homes.

Then came the motion picture followed by the radio and national broadcasting to augment the pictorial magazine as a medium of spreading discontent. The picture producers are supplied with every new and expensive home furnishing and every decorative luxury for their stage settings and stars are gowned in the most expensive and luxurious apparelings the world can produce, setting a picture of luxurious high life before our erstwhile unsophisticated and reasonably contented wives and daughters, to make them thoroughly discontented and drive us to playing the stock market for quick money to satisfy their artificially incubated wants.

Install a radio in your home and try to keep your women folk from going too often to the movies and becoming

saturated with extravagant ideas of personal adornment and home decoration, and you find Mammy songs and dance music interspersed with seductive spiels cajoling you to buy everything under the sun from shoe blacking to Persian rugs.

Stylish kitchens, too

AND, as if that were not enough, along came prohibition running everybody into the kitchen for refreshments, and we were made dissatisfied with the looks of our culinary department and had to doll it up with inlaid linoleum, hand decorated kitchen cabinets, gaily colored enamel cooking wear and automatic electric toasters and egg boilers.

Cunning advertisement writers, clever illustrators, commercial radio barkers and extravagant film productions have so saturated the mass of our people with highfalutin notions of what to wear, what to eat, what sort of house to live in and what luxuries to demand, that it is not uncommon to see a little snip who was raised on a farm where they got their drinking water out of a surface well and ate off the kitchen table, come to town, spend two weeks in a business college, marry a barber and go into housekeeping on the installment plan with hardwood floors, an electric range, a radio, a piano, a flivver and a semi-weekly appointment with a hair dresser.

The more we can make folks discontented the more we can make them buy, the more we can make to sell, the more

labor we can employ, the more wages we can pay, the more money there will be to spend, the more we can make 'em spend. It's the old theory of perpetual motion and the theory hasn't worked yet; the country is mortgaged to the discount companies.

Only recently I was almost persuaded that my good old upright piano was out of date in a modern home and I was about to be persuaded to trade it in for a baby grand to give more dignity and prestige to my home and inspire a new interest in and appreciation of the almost lost art of hand-made music in the home.

Saw too much advertising

BUT THE piano manufacturers were working too fast; before I came to signing on the dotted line, I looked over one piece of the music house's advertising, too many. I stumbled on an artistic brochure, illustrated with high light halftones and tied with a silk cord, asking me "What About a Second Piano?"

The booklet went on to tell me that the home with a baby grand should really have an upright for every day

usage, saving the baby grand for showing off. I passed up the purchase of the baby grand. That piano dealer would have taken my upright in trade on a grand, allowing me about one-fourth the going value of my upright, and then would have come around in a few weeks or a few months to sell me a brand new upright.

I am tired being made discontented; this business of keeping the consumer discontented has gone too far. The advertisers are even trying to make us dissatisfied with the way we have always read the calendar. Instead of saying "This is the second week in June," they want us to say this is "eat more prunes week" or "buy a tooth brush week" or something equally ridiculous. The idea is always to impress us that we ought to spend more money.

The only trouble with that idea was that there weren't enough weeks to go round. Now we often have "eat an apple week" and "buy a bond" week coming in the same seven days. It was bad enough before but that is too much. They will be happy probably when they get calendars printed without dates at all but with the days named—Automobile

Day, Piano Day, and so on. Then the poor, hard-working, mortgaged consumer can get up in the morning, bathe in a bathroom in colored tiles he can't afford, shave with a shaving cream he bought because some manufacturer warned him he could not be healthy otherwise, eat breakfast at a table that will have to be replaced as soon as the payments are finished, and then look at the calendar to see what he has to buy that day if he hopes to be a good citizen and keep business on its feet.

"Live within your Income" week

WHAT we need right now is a campaign of national advertising to teach folk to live within their incomes. Then we would have a sure enough panic with thousands of workers thrown out of employment by manufacturers of luxuries who would be compelled to shut down their factories. These advertising big guns and research birds seem to be blithely unaware or unconcerned that they have got us into a mess. I for one have begun to get my eyes open, and I'm telling the world that I'm getting tired of being made discontented.

Only Lazy People Are Contented

(Continued from page 21)

man, and life is life, and nature is nature, and the law of them all is to be discontented and get ahead and then be discontented after you have gotten ahead.

In these latter days we have added to our woes another sort of discontent which is certainly not divine, but for the moment at least, surely is quite as inevitable.

It is not only a new type of discontent—new in the universality of its application—it is in fact a new system of life values.

It rises from the fact that the world has adopted a standard of achievement or so-called success which is gauged and measured and expressed by and in the possession of things.

It will not do a particle of good to sit down and weep over this deplorable state of affairs.

The possession of things is the ruling passion of the day—and the depth and intensity of the passion has steadily increased ever since Napoleon contemptuously described the English as the shopkeepers of Europe.



Napoleon contemptuously called the British the Shopkeepers of Europe

Metaphorically speaking, we are all shopkeepers now from President or King to aspiring peasant. We all know why and how it happened; we all know that we are materialists or money-grubbers to an extent that is quite un-

healthy for us, but we all know also that little can be done about it.

Advertising in some of its aspects does violence to all of the decent instincts of a gentleman.

We praise our goods

NO truly modest gentleman would think of packing his conversation with thick layers of rhapsody about himself.

But the same gentleman, whether he be statesman or shaving cream manufacturer, has no hesitancy in rhapsodizing about the goods he has to market.

But even at its worst, advertising is no worse than the thing which it typifies and builds—which is business or money, or industrialism or commercialism, or materialism or whatever you choose to label the ruling genius of the age.

A complaint against the swift obsolescence of advertised things touches a responsive chord in many an American breast.

But a complaint against things seduced
(Continued on page 158)

Are Chains the Enemies

CHAIN STORES are invading the manufacturing field. Manufacturers are invading the retailing field. One of three things may result—a collision, an absorption, or a mutually helpful companionship. Perhaps we shall witness some of each.

Never before has there been so deep a concern over the relationships and the rival claims of these two essential components of American prosperity. Questions which cannot be evaded force themselves into the merchandising horizon.

Will the chains force the manufacturer into economic slavery?

Will they, through their mass purchasing and low retail prices, so determine his production as to make him eventually a wage slave?

Or, will the manufacturer, by concentrating essential commodities under control of giant corporations, force the chains to maintain uneconomic retail prices?

Will the manufacturer, through lavish national advertising, create and maintain such consumer preference that the chains will be forced to buy his products, regardless of price?

Or, will the chains themselves become manufacturers and national advertisers?

Or, will the manufacturer establish his own chain stores or buy into those now established?

In seeking the answer to these questions, it seems pertinent to raise another, and perhaps a larger, question. What justifies the existence of the manufacturer, the chain store, or any marketing agency?

They can have but one valid claim to public support—that they perform a public service by making merchandise available to consumers on the most efficient basis.

Invading each other's fields

IN PURSUING this objective the manufacturer and the chain store of the present day are presenting some novel sights to the students of distribution. We find the manufacturer, on the one hand, opening his own retail stores, or buying into long established retail businesses, or making contracts for retailing service which amount to virtual control of the retailer. On the other hand, we find that many chain stores are baking their own bread, roasting their own coffee, styling and manufacturing their own dresses, or producing for themselves any of a dozen



Can the manufacturer create such consumer preference that the chain will be forced to buy his products?

commodities that heretofore have been produced solely by independent manufacturers.

An appreciation of changing conditions is necessary if we are to understand these new trends. Scientific and economic tides are sweeping all life. The manufacturer or the chain store cannot expect to escape these tides, but it is reasonably certain that a thorough understanding of the power and apparent destiny of the present movement will help them both.

The history of retailing is one of many changes and improvements but the manufacturer who remembers the day when there were no branded or advertised items is, nevertheless, genuinely alarmed at the increasing sale of "private brand" merchandise by the chain stores. He naturally envisions a return to the demoralized conditions of the past when the manufacturer had no assurance of his market and was subject to every whim of the jobber or retailer. He is further alarmed at the tremendous areas of the retail market now controlled by chain-store corporations. He is afraid of chain-store price demands and of many fancied dangers.

Perhaps all this is not unnatural, but it seems unreal to one who has studied the history of marketing. Hardly 30 years ago the retailers developed a similar hysteria over the growth of the department store. Within the next

of the Manufacturer?

By R. W. LYONS

Executive Vice President, National Chain Store Association

ILLUSTRATIONS BY HERBERT ROESE

★ **OLD boundaries of business are being swept away. Chain stores are entering the manufacturing field, manufacturers have turned to retailing. Where will it end? Mr. Lyons says the consumer will benefit**

ten years the alarm was sounded again, this time because of mail-order competition. More recently still, the house-to-house canvasser has been a subject for discussion and condemnation.

Throughout all this sort of thinking runs the unmistakable fact that the manufacturers, wholesalers, and retailers want to protect their businesses from any changes of time or circumstances. Of course, this is impossible, if not foolish. Sooner or later we must all approach the marketing problem upon the basis of "what is in the public interest."

When subjected to scientific appraisal, the survival of one system or another of manufacturing seems relatively unimportant. Whether the wholesaling function should survive in isolated and distinguishable form is hardly more so. Whether the units of retailing in a community shall be small or large cannot possibly be a serious question in itself.

The problem, final and inescapable, is—what instrumentalities and what methods are best calculated to serve the consuming public?

It is well recognized that nobody is doing a perfect job in distribution. Although progress is being made, waste-

ful processes exact a huge toll annually.

The consumer bears this waste and bears it at a time when overwhelming demands are being made upon purchasing power. Yesterday's luxuries are today's necessities, and it is obvious that both manufacturer and retailer must offer broader values or cease to make and market new conveniences. It is also obvious that one of the largest remaining areas in which the value of the dollar may be increased is in the reduction of distribution costs.

Some executives believe that every dollar saved by scientific management is so much wealth released for the wide-awake fields of trade.

If you will examine the history of merchandising you will find that the chain store represents the outstanding example of retailing done with the fixed purpose of getting standard merchandise to consumers at progressively lower prices.

Economic pressure has compelled the chain store to become a precision instrument in terms of retailing. So far it is almost the only such instrument available.

They won't sell chains

WHY then should so many manufacturers hesitate to make the fullest use of such excellent and improved retailing facilities? To understand this apparent phenomenon it is necessary to understand the manufacturer's problems. One of the outstanding developments of the modern manufacturing era has been the so-called "dealer organization" through which the manufacturer retails his product. An effective dealer organization is difficult to develop and costly to maintain, but a well rounded organization, covering a wide



area and embracing thousands of retailers has great value. This is emphasized by recent decisions of several great manufacturers to develop almost exclusively in this direction.

Until the coming of the chain store, such an organization was imperative if a manufacturer was to get comprehensive retail distribution. Furthermore, the manufacturer's control of retailing practice as it affects his products is unquestionably greater when he sells a given quantity of merchandise to a thousand small outlets than when he sells it to one or two large and powerful outlets. Thus it is perhaps inevitable that the manufacturer should regard his dominance over the retail dealer both as a measurable economic asset and an immeasurable strategic asset.

American business history affords well known examples of the abuse of concentrated buying power. No manufacturer can ignore the dangers that may be involved in exchanging thousands of well-controlled small outlets for a few gigantic outlets which might be able to dictate his manufacturing policy or perhaps imperil his business by suddenly curtailing orders.

The retailer has a high mortality

ON the other hand, the mortality rate of the unit retailer stands as a stern challenge to those manufacturers who recognize their obligation to the consuming public.

The cost of replacing retail failures and absorbing their losses is a terrific burden and the intelligent manufacturer knows that, directly or indirectly, the public bears this loss.



Every dollar saved by scientific management is additional wealth

To the extent that such losses are avoidable, they are clearly an unjustifiable waste.

Claims and counterclaims

DEVELOPMENTS are taking place which neither the manufacturer nor the retailer can ignore. There are authentic reports of the chain stores buying directly from the manufacturer, and, either by reason of prices or efficiency, being able to sell to competitive retailers and to wholesalers at a profit. Either such a chain store is buying too cheaply, or its operating efficiencies enable it to accomplish certain distributive functions more economically than can the manufacturer.

Some will support the claim that the chain store is forcing too low a price from the manufacturer. Others will support the counterclaim that the chain store performs the wholesaling-retailing function so efficiently that no manufacturer can ignore it, or, under the present set-up, equal it.

The final truth of this situation cannot fail to influence materially the future of distribution. But mere buying power is but a fraction of chain-store operating economies. An economy which the public seldom understands is in the fact that chains speed up the process of getting merchandise from maker to user. In most cases the time is cut in half. How much this saves in freedom of capital, lower interest charges, and smaller capital outlay for warehousing and handling!

The Harvard Bureau of Business Research has, for several years, conducted regular, intensive cost studies in the wholesale and retail dry goods field. It has determined that the average wholesale turnover in this field is 3.4 times per year, or one turnover each 107 days. In the retail dry goods field the average turnover is 2.1 times per year, or a complete turn every 174 days. It will be apparent that the retail dry goods merchant in the average American city buys his merchandise from the wholesaler. Thus, through these channels,

(Continued on page 178)



Teamwork between a middle-western manufacturer and a chain-store system is giving the housewife a copy of an expensive European china dinner set for ten cents a piece

Where America Cannot Excel

By ANDRÉ SIEGFRIED

Professor, the School of Social Sciences, Paris

DECORATIONS BY GEORGE LOHR

MASS production, machinery, high wages, the very factors that make this the "American Age," must, in the opinion of this keen student of economics, make it impossible for us to compete with Europe in those fields where style is the chief requisite



American genius and machinery have prospered without a protective tariff

DURING THE nineteenth century, European manufacturing production knew no rival worthy of notice, but America has now taken the lead. American industrial methods have proved sound and efficient. Together with other factors of success, they have given the United States, especially in the last decade, an overwhelming prosperity. At the same time the competition of Europe remained a matter of relatively little concern, either because she was disheartened and disorganized by the war, or simply because nineteenth-century methods largely continued to prevail when twentieth-century progress would have been required.

But the old continent is now rapidly recovering and keenly trying to avail itself of the American example. Many important employers, engineers, and foremen, and even workingmen, have lately crossed the ocean, all eager to see and to learn. There is no doubt that, before long, a large part of the European industrial equipment will have been modernized.

The question then arises—and there is none of greater moment at present—whether Europe can compete with America, and if so in what lines.

In the United States, natural resources are abundant and easily available. But labor, at least until recently,

has been traditionally scarce and it remains expensive. These facts dominate the main problem which American industrial development has had to face in the last half-century to reach a low cost of production notwithstanding high wages.

We use goods but save men

THE American system, which we often and rather improperly call rationalization, is largely the result of a drastic necessity for the employer to conform to these circumstances which are peculiar to a country where goods are cheap but services prohibitive, where you can with impunity waste things but where the manufacturer would quickly be ruined should he not constantly endeavor to spare the use of men.

It seems that American genius, or good sense if you prefer, has solved the problem by a fourfold effort. An intense use of machinery lightens the weight of labor per unit of production. Scientific management immensely increases the efficiency of the worker.

Standardization, with mass production, allows expensive machinery and highly paid labor to result in cheap

goods ready for a large consumption.

Last but not least, a growing concentration in financial control leads to a more elaborate and efficient organization of management, which permits broader points of view in the conception of big business.

The conditions which determine and limit American success thus appear quite clear and definite. America succeeds wherever the machine can be substituted for the man, and wherever collective automatism in production can replace dispersed individual effort. When it is possible to apply such a program, the superiority of the United States in the industrial field is overwhelming because no other country can establish mass production on the basis of such a large, unbroken and protected internal market. Likewise no other nation enjoys such inexhaustible capital.

In addition to these purely geographic or economic factors, we should say that there actually exists nowhere else in the world such an alacrity in making improvements to keep step with the latest whim of fashion or the most advanced ideas of efficiency, nor such a generalized good will among consumers to conform to the necessities of a standardized production and to the dictates of advertisement.

Individual work is costly here

BUT wherever these circumstances do not exist, either because mechanization does not fit certain kinds of production or because quality and creative ability are more important than quantity, and especially when articles have to be made on order, the American industry competes only with difficulty. High wages crush the cost price, and traditional addiction to quantity tends, in the long run, to become a handicap when an inventive spirit of creation is required rather than ability in organization.

The list of the American industries



Many American industries could not prosper without a protective tariff

now claiming protection against European competition affords an interesting example of such a deficiency.

The main factors which give the United States an obvious superiority in mass production do not exist in Europe, but the old continent has a large supply of rather cheap labor and a technical and artistic tradition.

If we choose a country like France as an example, it is easy to see that it competes successfully just when the conditions which allow America to lead are not realized. We French succeed when the raw material is but a small part of the value of the finished product, and the part played by personal initiative in the creation of an article is important.

This amounts to saying that we more easily stand competition when superior and expensive grades are requested and when the number of models, instead of being diminished according to Mr. Hoover's gospel, must be increased.

Quality vs. mass production

SUCH a production, often called quality production, has its special rules and thrives in its own atmosphere. It needs an artistic and intellectual environment, a certain taste for beauty and refinement on the part of everybody connected with the firm. This taste exists in certain European regions but does not seem to have been largely developed in the United States. Of course, in the present period of the world's development, this production, which has practically all its roots in the past, risks being largely displaced by quantity.

Yet, with a constantly increasing wealth in so many countries, it is certain that there will always be a market for quality. To meet such a demand, Europe

seems, at least for the present, better gifted and fitted than America.

There is another field where European manufacturing production has not been superseded by its young and powerful rival. When mechanization is not and cannot be carried so far as to suppress labor to a really large extent, the lower wage of the old country remains a factor in cheap costs which seriously handicaps the new world.

American chances of success thus appear to be narrowly linked with the possible extensions of machinery, but as long as the victory of the machine is not a sweeping one there remains a chance for competitors. American manufacturers now claiming higher tariff duties against "unfair European competition" certainly know something of such an experience. The complaint is not new, and Europe also has suffered and suffers from the "unfair competition" of cheap labor in China and India. It is, after all, a rivalry between different standards of living, each one of them asserting its own competitive advantage.

More than 70 years ago, Sir Charles Dilke, the British statesman, after traveling around the world, concluded that "the defeat of the cheaper by the dearer peoples, the victory of the man



Europe has a large supply of cheap labor and an artistic tradition

whose food costs four shillings a day over the man whose food costs four pennies," was a fact.

This is only true in certain conditions when a highly organized mass production is possible. Otherwise a cheaper wage remains, even now, a strong and sometimes decisive factor in international economic competition.

When Americans declare that they do not fear countries with low wages but only countries with high wages, they do not face the situation with a complete sense of reality. By rapidly and, from our foreign point of view, perhaps excessively, raising their standard of living since the war, they have loaded their production costs, at least in every case where intense mechanization has not been possible.

Tariff protects American goods

"UNFAIR" though it may be, European competition exists, and many an American industry today would not know prosperity without a highly protective tariff.

By somewhat simplifying the problem we have concluded that America wins in the field of quantity and Europe in that of quality. This suggestion is, at least theoretically, a true one, and it affords, at any rate, a good basis for discussion. But new developments now seem to be coming.

Europe is eagerly following America's lead and she obviously tries to compete with the United States on its own ground of mass production. It is interesting to guess where each continent will, at last, fix the center of gravity of its system of production. Will America tend, in its turn, to quality and Europe to quantity?

It is unfair to describe American production as being exclusively expressed by quantity. Admitting that standardization is its rule, we must recognize that it nearly always tends to a high degree of perfection. The American article is not only serviceable but excellent and even generally elegant. Yet it always remains essentially based on quantity, and the spirit of quality cannot be its lot.

The system, in fact, does not allow the artistic research of numberless models, irrespective of price considerations, nor a perpetual bursting out of inventive fantasy. It must necessarily fit the needs of an economic democracy, a market where number rules.

We meet here the limit above which the United States will have great difficulty in rising, supposing it desired to do so.

It is unlikely then that America may
(Continued on page 202)

Mr. Hoover's Business Mind

By M. S. RUKEYSER

Financial Editor, Universal Service



THE PRESIDENT knows economic facts and how to use them, says Mr. Rukeyser, explaining why he ranks Herbert Hoover among the outstanding business minds of the country today

I HAVE had several singular opportunities to examine the economic mind of America's most distinguished citizen—the President of the United States. At my last visit to the executive offices, I chatted with President Hoover for more than an hour about the business recession and the factors making for recovery.

In the privacy of his office, the President reveals a thorough understanding of business. At a round table of business experts, he would have as much to give as to receive. He not only speaks the language of business, but can handle the instruments of business statistics with the nonchalance of Carl Snyder, of the Federal Reserve Bank of New York; Seymour Andrews, statistician of the American Telephone and Telegraph Company, or Wesley C. Mitchell, director of the National Bureau of Economic Research.

Mr. Hoover needs no interpreter to tell him what is going on in business and what can be done to stimulate constructive activity. On the contrary, he is eminently the type whom other men call in for consultation.

Not only has he a remarkable facility for accumulating significant current information but he shows acumen in reading the practical significance of data. He has in his mind a vivid recollection of



President Herbert Hoover

HARRIS & EWING, WASHINGTON

America's business history and he sees a parallel between the present cycle and the 1907-08 readjustment. In watching the present transition, he has kept the curves of the earlier period clearly before him.

A thing that has impressed him is the vastly greater and speedier power of economic recuperation the country has shown in the present situation. He feels that the quick availability of data and the marked improvement in economic fact-finding in the past eight years have aided in dealing with this situation; that the facilities of the Department of Commerce and the Federal Reserve Board have helped responsible observers to know promptly what has been taking place.

Fact-finder and administrator

AS Secretary of Commerce he led the way in improving fact-finding facilities of the Government and business and, since the recession, an informal agency has been set up to coordinate the various economic information services of the Government.

In public and private life the importance of many men depends on their titles. One of my regular chores as a reporter is to discuss the economic scene with bank presidents, railroad, industrial and utility executives and economists. I have met no one at home or abroad who was better informed on business topics than Mr. Hoover. For generations the enterpriser



Merryle Stanley Rukeyser

BLANE-STOLLER, N. Y.

has yearned, "Oh, if we only had a business man in the White House."

The hope has at length been fulfilled. Mr. Hoover, the engineer in politics, is a business man—plus.

He knows business facts

HIS range of specific facts about current situations is amazing, especially since, as Chief Executive, he must keep in touch with many activities apart from business. He knows, for example, that uncertainty over the tariff schedule on suit linings crippled the clothing trade; that tariff uncertainty curtailed orders for aluminum; and that the plate glass trade passed in recent weeks from boom to temporary collapse because of uncertainty as to what the tariff would be on such products.

Accordingly the President felt that the clearing up of the tariff situation would remove an important barrier standing in the way of prosperity. When Mr. Hoover discusses the collapse of commodity prices, he does not dwell in the realm of economic vagaries. He offers definite facts about how British buyers punished the Canadian Wheat Pool by withholding normal purchases during the interlude of panicky weakness; about the status of the crops and the relation between current quotations and the cost of production.

The mere fact that the President is an expert in the realm of business inevitably modifies the character of the business cycle. In the past, the country has had Presidents of varying

dardization as a means of lowering costs. Hubert T. Parson, president of the F. W. Woolworth Company, told me that out of Mr. Hoover's campaign grew the program which enabled the Woolworth Company to increase its annual turnover from six to eight times a year and correspondingly to increase the ratio of net profits to gross sales.

In the contact between Government and business, the President best exemplifies the rôle of the engineer in politics. His eight years as Secretary of Commerce made him more than an engineer; they transformed him into a practical economist with an enormous range of insight and understanding into the problems of the world of give and take.

President Hoover is no subservient follower of the business bloc. Instead he is a leader. As a public man, he has been careful to stress the social utility of business, rather than mere profit grubbing. In initiating the White House Conferences in November, he made it clear that he was not interested in bolstering up the Stock Market, but would measure the success of the proposed remedial measures of cooperation and coordination by their effect on human employment.

Mr. Hoover's long-term aspiration is to stimulate the abolition of poverty in the United States. Mere technological efficiency is not an end in itself for him but a means of bringing to an ever widening circle the material comforts of our machine civilization.

From the strictly economic side, he thinks that one of the principal stimulants for business expansion in the next decade will come from further democratizing consumption; making luxuries and comforts available to hitherto economically submerged groups of the population. He recognizes that this process means more than stimulating human wants; that it requires a still wider diffusion of purchasing power among the multitudes.

Lower prices will help

TO Mr. Hoover this requires not only high nominal wages, but expanding real wages or purchasing power. The steady lowering of the price of products through heightened industrial efficiency will be an important means of abolishing poverty, he believes.

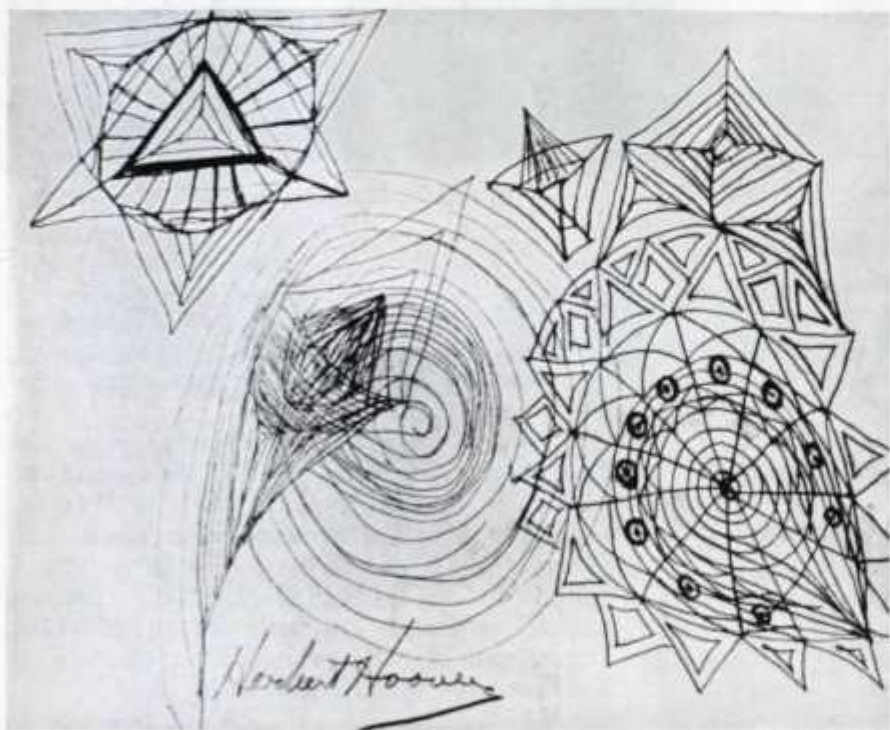
He perceives that mere wishing will not accomplish this change. He expects it to come largely through the patient activities of applied scientists whose discoveries and inventions in the industrial laboratories of the country will be stimulants to business. What these discoveries and inventions will be no one can confidently predict but, in the past, industrial pathfinders have perpetually enlarged the scope of production and there is every reason to believe that the

evolution will continue.

Mr. Hoover believes society will owe an enormous debt to these inventors of new products and discoverers of new human wants.

Mr. Hoover, the engineer, believes that man's talent can influence business situations. He does not accept the philosophy which holds that cycles are foreordained and must run

(Continued on page 204)



WIDE WORLD PHOTOS

The President's training as an engineer and habit of orderly thinking colors even his idle scratching on a memorandum pad

friendliness toward business. The sympathetic ones were amenable to the advice of business men. President Hoover senses and articulates business needs before they have been widely grasped by trade leaders themselves.

Mr. Hoover as a public officer does not have to copy business methods. Business on the other hand has derived inspiration and ideas from him. For example, as Secretary of Commerce, he stressed the utility of simplification and stan-

Good Business Needs Good Bridges

By F. S. TISDALE

IN THE WINTER of 1917-18 it looked as if the weather had joined up with the Germans. The thermometer dropped and stuck sullenly in the subzero marks. Long Island Sound froze over. At Yonkers, teams and trucks were able to cross on the Hudson River ice. Shivering New Yorkers soon faced a threat more serious than mere discomfort.

Transportation froze in. Car floats heavy with coal were trapped by ice in the Jersey slips. Those that tore loose could not make dock on the Manhattan shore. Barges from Norfolk and other coal ports were held off by the same barrier. An attempt was made to bring in coal cars through the Pennsylvania Railroad tunnels under the Hudson. The tubes had been constructed for passenger coaches and the coal gondolas stuck.

Before the weather relented New York had a real scare. A fuel famine in such weather would have resulted in thousands of deaths. A new note of insistence was added to the ancient cry, "Bridge the Hudson."

People said, "If we'd had a bridge this couldn't have happened. The coal would have come in."

"We've got to bridge the Hudson."

Automobiles need more bridges

SINCE then the country has become completely motorized. Automobiles have brought good roads and good roads have brought bridges. At last New York sees the fulfillment of its traditional need—a 75 million dollar bridge, the greatest in the world, is being thrown across the Hudson River at 179th Street and Riverside Drive, Manhattan.



Gustav Lindenthal

Main cables pass over the towers and, on the New Jersey side, into tunnels in the hard rock of the Palisades. Here they are secured to giant steel bars which are imbedded in solid cement. On the New York side where there are no rock cliffs, the engineers have buried the steel bars in a block of concrete 290 feet long, 200 feet broad and 130 feet high. The towers themselves, capable of supporting twice the weight of the

- IT TOOK a threatened coal famine to show New York the need for a bridge across the Hudson, but that was years ago. Today the nation has awakened to the need for more and bigger bridges to carry its increasing traffic. In this article one of the country's oldest and greatest bridge builders, Gustav Lindenthal, gives his opinions as to the kind of spans that should be built and how they should be financed and paid for

The bridge, of the suspension type, will be swung from steel towers 635 feet high. These towers will support roadways, foot paths, steel substructure, cables and other articles weighing 90,000 tons.

The supporting wires, each of less diameter than a lead pencil, will be bound into four main cables three feet thick. They would support 350,000 tons.

bridge, are seated in bed rock of the river.

An era of bridge-building

WHAT is true of New York is duplicated in a less spectacular fashion over the entire country. The impetus felt when the Armistice released money and energy for building roads still retains

much of its drive. Tompkins Corners has abandoned the rattletrap covered bridge with its splintered floor for a snappy new concrete structure with arches and ornamental posts. Philadelphia has espoused Camden with a fine suspension structure. Detroit has entered the same happy state with Windsor, Canada.

These are days of great bridges and great builders. One of the country's oldest and perhaps its greatest is still leading his fellows. To the casual traveler and to the general reader Gustav Lindenthal is perhaps more a legend than a reality.

They know him as a pioneer in the science of long span bridge construction but they are somewhat surprised to learn that he is still alive. You would realize how very much alive he is if you started planning a big span and looked about for a man to design it.

Built Hell Gate span

LINDENTHAL is 80 years old. His last outstanding bridge is the Hell Gate span which carries the trains of the New Haven and Pennsylvania over the treacherous neck separating Long Island from the mainland. But he is not one to gaze fondly back at past exploits. The only picture I

saw in his office was that of an even greater bridge which he is determined to build over the Hudson before he dies. Lindenthal was born in Austria. He came to this country as a young man. The United States is served by the finest examples of his calculations.

"Monuments?" he repeats, "I don't like for them to be called monuments. Bridges are working structures for the everyday use of humanity."

Lindenthal has an unassuming office in Jersey City. The door bears only his name and the words "Consulting Engineer." One of his principal clients is the Pennsylvania Railroad.

To him a bridge is not a mere composition of steel and masonry, it is a public servant whose integrity in engineering and

financing must be jealously protected.

He was asked to comment on the recent wave in the building of big bridges. Before answering, his powerful shoulders leaned forward and his white beard bristled.

"If I told you what I thought," he challenged, "you wouldn't print it."

He was assured that anything he said would be reproduced.

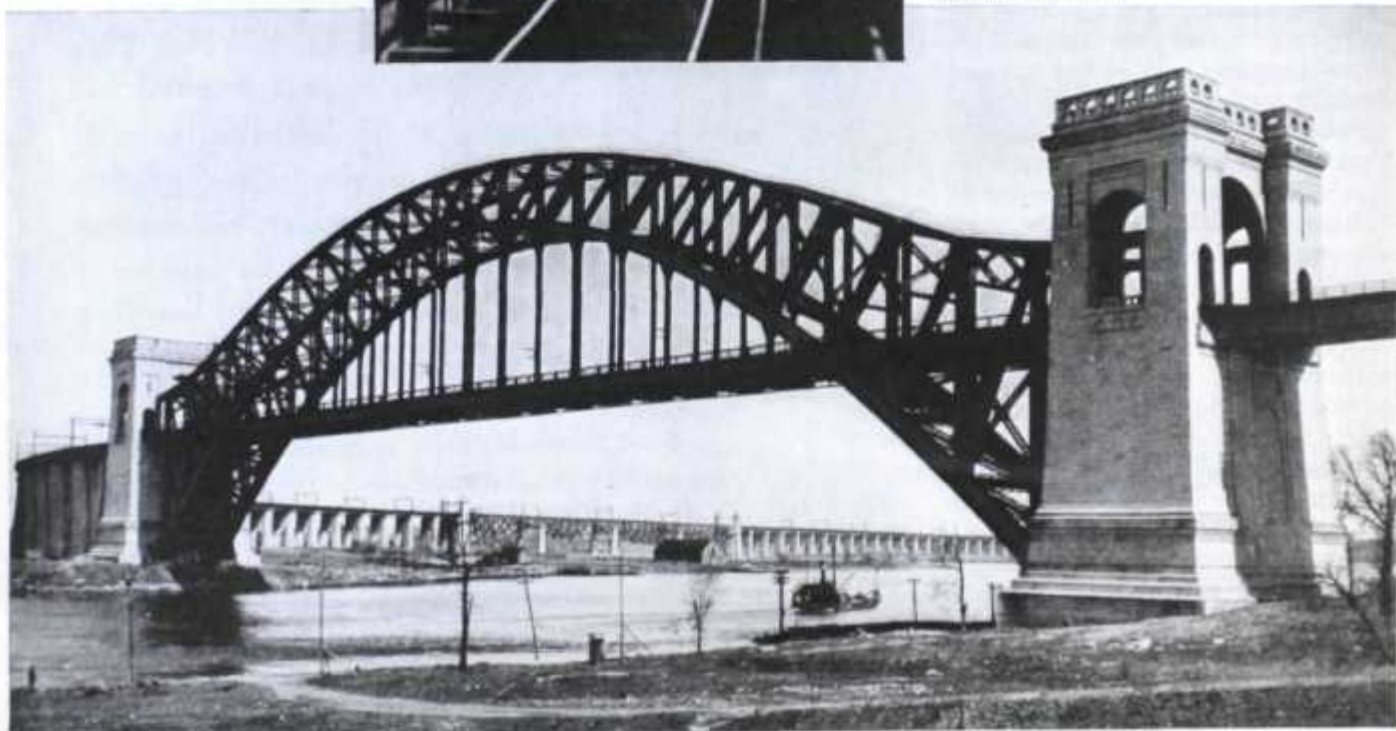
Financing should be improved

"WELL," he declared, "many of the big toll bridges now being put up are not properly planned. I do not mean"—he added with emphasis—"that they are wrongly built from the engineering standpoint. They will stand up. And I am not referring to bridges constructed with public money, for these are carefully designed and built. It's the private toll bridges of independent companies that I refer to."

"Many of these bridges cost too much—are overloaded with bonds and stock on which they must earn money. The engineers are told to reduce costs. Contractors are told the same. They therefore seek short cuts and experiments. Naturally they need the business. If they don't shave their calculations to fit specifications some one else will."

Looking out of the Manhattan elevated railway station on Brooklyn Bridge. This is only one of the railways on this huge structure

PHOTOS BY EYING CALLOWAY



The Southern end of Hell Gate Bridge which crosses East River in New York. The span is 1,016 feet long and the top of the arch is 300 feet above water. The bridge cost 25 million dollars



PHOTOS BY EDWIN CALLOWAY

When a bridge is built of steel it must be kept painted. Painters are always at work on Brooklyn Bridge

"Many of these bridges have 18 foot roadways. Think of that and imagine what automobile traffic will be ten years from now. Other ways of saving money are attempted. Look what happened on two such bridges. They are of the suspension type. A new kind of wire was tried for the main cables. It passed tests—not all that should have been given, however. They started stringing the cables and the wire broke before any strain was put on it. It had to be taken down and new wire put up. The loss in one case was five million dollars.

"One of the engineers has died since. They will tell you that it was some ordinary disease but really his heart was broken."

An overburden of financial obligation calls for an overburden of tolls on the person who crosses. Says Lindenthal:

"There is a bridge in New York state which charges a dollar for a single automobile to cross. That is because it is



The bridge over the Elbe at Hamburg, Germany. Foreign countries pay more attention to beauty than we do but they can teach us little of engineering

too heavily capitalized. The toll should have been 25 cents. Bridges that are cheaply and scantily constructed must also economize on factors making for beauty. Look at the criticism of the Bear Mountain Bridge spanning the Hudson. The natural curve of the suspension cables is beautiful but the uncovered steel towers certainly do not harmonize with the mountains, forests and the river of which they become a part."

There has been a small war over the towers of the bridge being erected over the Hudson River at 179th Street, New York. Final plans provide a stone covering for the steel. The steel men have met this proposal with an indignant outcry. If (they say) steel is to carry the weight of the bridge let steel have the credit. Leave the towers as they are.

Lindenthal declined to take sides in
(Continued on page 240)



Mr. Bryant signing the contract by which his company agreed to build an industrial plant and a housing community for the manufacture of motor cars in Soviet Russia

- **MR. BRYANT** is the man who studied Russian conditions and signed the contract by which his company will do a large construction job in Russia. He is not interested in political theories. He is interested in conditions that make business good or bad. His report on Russia is a report on Russian conditions as they affect the business man

to construct and equip basic industries, was published in book form.

Instead of dissipating the original apprehension, however, this program accentuated it in many quarters. Some business men question the Soviet's ability to put through the construction planned. Others concede that the schedule will be completed, and that Russia soon will be ready to go into mass production insofar as mechanical equipment, labor supply and raw materials are concerned. But they want to know how a people with no experience in modern industrial practice can hope to operate a project of such magnitude and with so wide a diversification of products. Business men are asking where the Soviet expects to find management for these enterprises.

Of course, no one can answer that question accurately until Russia is ready to begin large scale production. But it seems to me that an outline of how Russia is going about the acquisition of power plants, factories and mechanical equipment may throw light on the subject.

As I see it, Russia has set out to acquire an entirely new industrial system. Where others are copying or trying to copy—and making some ludicrous mis-

WHEN Colonel Hugh L. Cooper of New York obtained a contract from the Union of Socialist Soviet Republics about two years ago to construct the world's largest hydroelectric plant on the Dnieper River many economists and business men regarded the project as an industrial white elephant. Particularly in the United States, where we think nothing of spending seven billion dollars a year for construction, the fear was expressed that a power house to cost 100 millions would supply more energy than Russia could use for many years.

Power is useless without machinery to consume it, and it was common knowledge that Russia lacked machin-

ery. While other European nations were devoting their energies to industrial reconstruction after the war, Russia had been busy with a revolutionary political experiment. Even the relatively small pre-war development of industry—most of it based on manual labor, and highly inefficient according to present standards—had been seriously reduced and in some instances destroyed by the abolition of private capital.

Five-year plan much discussed

A GREAT deal has appeared in news reports in the past year concerning what Russia is doing to correct these deficiencies, and recently a translation of the five-year industrial program under which 30 billion dollars will be spent

When Our Business Methods Meet the Soviet

By George A. Bryant, Jr.

Executive Vice President, the Austin Company

takes—Russia is transplanting. Along with the industrial plant and housing community for the manufacture of motor cars which my company is constructing on the Oka River opposite the ancient city of Nijni Novgorod, the Soviet is purchasing, under the terms of the contract, the knowledge of how to build such a plant by the American method.

Russians study here

WE HAVE agreed to give ten Russian engineers the free run of our headquarters at Cleveland and of our 16 branch offices in the United States. They may go out with our sales engineers, sit in with our architects and draftsmen after a

contract is signed, and then follow through on the actual construction work of any job that interests them.

I am not familiar with the details of contracts signed by other American

corporations, but it has been announced that a Chicago engineering firm has agreed to train 15 Russian engineers. The Ford Company will train Russians in its plants at Detroit and elsewhere. In addition, large technical forces of Russians will be at the various scenes of operation and Russian labor will do all the actual construction work on all the projects that have come to my attention.

The Soviet Government also undertakes to provide all raw materials and



COURTESY THE AUSTIN COMPANY

It took less than 48 hours to get this dredge on the job in the Oka River



Women workers stacking building materials on the site of the new industrial development in preparation for the builders

such manufactured building materials as its plants are able to produce. We may have to export some of the structural steel, for example, but the Russians already are storing cement for our operations on docks laid down under the direction of our men on the Oka.

No job to hunt employees

ACTUAL construction under our contract was scheduled to begin May 1, weather permitting. On that date the Russians agreed to provide 6,000 workmen according to schedules drawn up by us, and 6,000 more as needed within the next 30 days or thereabouts. The Austin Company, however, is to have

complete responsibility and authority. We have schedules of the standard working day, which varies with different crafts and operations, but we also have an outline of conditions under which overtime is permitted, and our engineers are to determine when that is necessary. We are also to determine the order in which various units shall be constructed.

If argument had been necessary to get this free hand one might say the Russians are at least open to conviction. But we did not have to argue. I found the Russians more openminded than many people commonly thought far in advance of them in industrial matters.

I saw a demand on every hand for power appliances to increase production and lighten human labor. When my negotiations reached a point where my company was asked to submit a specific bid it became necessary for me to know what I could expect of Russian workmen. To find out I visited at least 50 construction projects during a five-day boat trip down the Volga as a member of the committee of American business men which went through the country last summer under the auspices of the Russian-American Chamber of Commerce.

On nearly all of these jobs I found one or more mechanical labor-saving devices,

done by air compressors from Chicago and concrete mixers from New England. But this was not because the Russians do not know better. It was due to a shortage of manufacturing facilities. Sash and door plants are included in the five-year program, but pending their completion these units must be made by hand.

Standardization will help

IN other trades, however, the Russians have taken at least preliminary steps to outdo their American teachers. I had noticed, in marking off courses to determine the rate at which bricklayers work, a variation in the size of bricks from different plants. Therefore I asked an official to give me a list of the yards from which our supply was to be drawn, and a record of the sizes we should have to use.

"You need not worry over variation," he said, "because in a week or two every yard will be manufacturing a single standard size. That order went out about six months ago and most of the plants already have changed over."

Previously the Russians had adopted the metric system of weights and measurements. They have also set up standards in certain lines. In fact some of the things that happen in Russia make

government it seems to be inevitable in the long run.

I have in mind particularly the speed with which red tape may be cut. As our company had been negotiating with Soviet agents before the present contract was brought up, my opinion probably was a little more favorable than that of the average citizen before I went abroad last summer. Nevertheless I was looking for delay and possible inefficiency. Therefore, I checked up on the location of Russian executives whom I had met during the previous negotiations. Three of these men have headquarters at Moscow and at the first opportunity I went to their offices.

After some delay due solely to my ignorance of the Russian tongue, I learned that all three were on vacation and would be gone two or three weeks. That was more time than I had to spare in waiting. Rather than be idle I hired two interpreters and began, so to speak, to push doorbells. In two days I had located the State Bureau for Building Automobile Plants, and had a hearing with executives with authority to act.

It is the Russian habit to manufacture handy terms for organizations with long names. The State Bureau for Building Automobile Plants is referred to as Autostroy. Executives of that organization outlined what they wanted and asked me if our company would select a site from among several which they had in view.

Russians were fair

I AGREED to recommend a site and to submit a bid on two conditions. The first was that the Russians recognize they were dealing with what they refer to as capitalists. I made it clear that our company's only reason for seeking Russian business was to make a fair profit. No one demurred or criticized. The second condition was that our bid be accepted or rejected within a reasonable time, and this was never specified.

On that understanding we went to work, and if the brand of activity exhibited by the committees with which I dealt is a fair sample Russia will have nothing to fear in the

future. Progress, with two sets of interpreters, seemed painfully slow, but we made up for that in hours. Few of our sessions ended before midnight, and one ran from 11 one morning until 3 the

(Continued on page 148)



One of the roads by which materials will be carried to the new city.
Three hamlets were evacuated to make way for the highway

the majority of them made in America. It is true also that each job was marked by anachronisms. Men with handsaws were making their own doors, windows and other parts which we have standardized, while other work was being

the American wonder about our boasted efficiency and about the kind of competition we are likely to meet when Russia really gets into mass production. At present that is a long way off but barring complete collapse of the

Why Fear for Future Generations?

By HARRISON E. HOWE

Editor, Industrial and Engineering Chemistry

DECORATIONS BY BEN KIDDER

WHY ARE children afraid of the dark? It is not uncommon to meet youngsters who have experienced no actual conditions to frighten them, yet who seem terrified in a dark room or when night falls. Some think they are simply living the experience of the race, that fear is inherited from their ancestors to whom, in those far-off times, night meant danger, uncertainty, and even disaster.

Similarly the race has acquired other fears. We need not go far back in history to find examples. Individuals suffer from some of them today, but need we be like children in the dark? The natural sciences one after another have disclosed these fears as thin shadows.

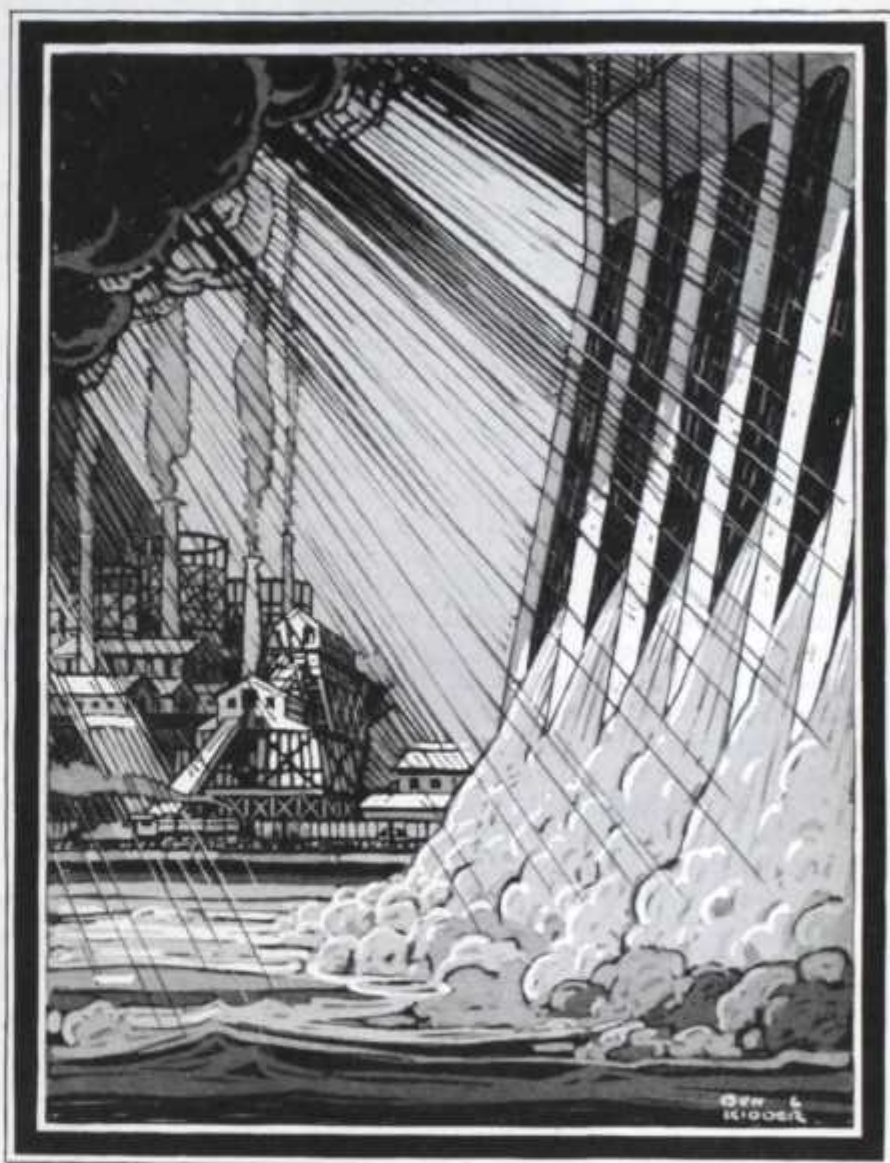
Fears that didn't materialize

WE are told that at one time there was concern in Great Britain because of the scarcity of the kind of wood required for long bows used in the defense of the community. Before that need became acute, the long bow had been practically discarded. At another period the fear was for the future supply of oak needed for ships' knees, without which an efficient navy could not be maintained. But iron ships made ships' knees of oak unnecessary.

Then the fear arose that the supply of charcoal to produce charcoal iron needed for national defense would fail. Today little charcoal is required for such purposes, for this is an age of steel.

So time after time people have feared for the safety and progress of the next generation. But the next generation has found new tools, new requirements, and often new fears of its own for the generation still to come.

Fears for the future naturally center around a few outstanding human requirements. What of food supply, for



If the power need becomes great enough more of our water power will be developed and the sun's heat, tides and winds may be used

★ **BRITAIN** was once alarmed because there was little wood to make long bows. We know today that fear was unjustified. However, we have fears and here's what science thinks of them

example? Will the future show Malthus to have been right when he declared that the powers of the race for reproduction exceed its ability to produce sufficient food? It is true that in some places today, as in China and India, famine carries off hundreds of thousands. We know, however, that where science has had an opportunity to help, it is not famine but food surpluses that discourage the farmer and vex the politicians.

Several modern devices justify our feeling that no fear need be held for future food supply. The multiple means for transportation make it possible to move food surpluses quickly.

Food may be dropped from an airplane to a ship's crew stranded on the ice or it may be held in great warehouses against a shortage. Modern refrigeration, aided by moisture-proof wrappings made of cellulose, gives a new method of storing food in a form satisfactory for use at a comparatively remote time if necessary.

Refrigerator cars that can be held at a predetermined temperature as they journey across the continent and ships with compartments equally well cooled will decrease spoilage and thus add to the total of the future food supply. Research adds almost daily to our knowledge of preservation.

Food habits change. While American meals may be somewhat standardized, these standards change from time to time and things which we as children regarded as luxuries are now available to everyone at practically all times, thanks to transportation, refrigeration, and preservation.

It will be recalled that in the late '90's Sir William Crookes predicted a food shortage within 20 years, because he saw a shortage of nitrate with which to fertilize the soil and produce sufficient wheat. Consider how rapidly this picture has changed.

Shortage becomes a surplus

TODAY it is not a shortage of nitrate but a surplus which disturbs the producers of Chilean nitrate as well as the manufacturers who have built great factories on the synthetic processes. A single plant in Germany is capable of fixing annually from the nitrogen of the air a tonnage greater than the Chilean production, while in Chile the application of an American developed process bids fair to keep a prominent place for

natural nitrates in the world's markets.

Still another important source is the ammonium sulfate necessarily produced as a by-product from coke ovens. The urge for concentrated and more efficient plant foods has spurred scientists to devise economic methods for producing phosphoric acid from our great deposits of phosphate rock, while in the West are other phosphatic rocks which can be treated commercially.

A systematic search is being made for potash. Steps have been taken to win this important plant food from the Dead Sea. Dry Searles Lake in California is yielding its hundred thousand tons annually, and the diamond drill has brought ample evidence of deposits in other places.

Another factor in our future food supply is the constant competition with insects which begins before the seed is planted and continues after the harvest has been gathered. The insects conduct an unrelenting warfare. The birds are man's greatest ally, but the studies of the entomologist, of the specialist in plant diseases, and of the chemist have yielded encouraging results. Dusts, sprays, insect enemies are some of the weapons man employs.

Careful breeding of plants has given varieties that come into bearing earlier, others that resist root rot and fungi and still others that give increased yields, and consequently a larger margin for man's use. Wheat is now grown in Canada 125 miles farther north than was thought possible when the great prairies were plowed. Varieties have been found to meet conditions in arid sections, to resist shattering in the wind, and to yield grain under conditions impossible for native varieties.

The relation of uncommon chemical elements not only to plant growth but to the storing in the plant, its seeds or fruit of those elements required for human food is beginning to be understood. It is important not only to grow enough food but to see to it that the harvest brings with it the right supply of the needful chemical constituents and this is being accomplished. Now add the improvement possible in farm animals as converters of roughage which humans cannot digest

and we have further cause for confidence in the future. The farm animal is still an inefficient converter of energy, but those who breed farm animals have made great improvements and the end is not yet.

Synthetic food may come

FEW of us are really interested in the prospect of synthetic foods, and although some creditable research has been done in synthesizing or attempting to synthesize carbohydrates, proteins, and fats, nothing has been accomplished which need worry the man who prefers a steak to a compressed tablet. There are indications, however, that proteins, for example, could be had in great quantity from other sources. Yeasts have been bred for particular flavors.

All in all, therefore, we feel that fears for future food supplies are unfounded. There are still vast areas that could be put under cultivation. There are untold food supplies in the sea. The tropics might be conquered and from the arable land now known increased quantities of foods will come when the economic demand exists for it.

What about shelter? Food, shelter, and clothing rank first in the size of items in the average family budget. We have long since learned how to build structures that outlast their usefulness. Reforestation is being practiced on an enlightened scale in many localities, and in the last decade approximately 15 billion board feet of lumber substitute made from annual growing materials and from waste wood have taken their place in structures alongside lumber, metal, terra cotta, and concrete. Community after community learns the wisdom of requiring such buildings as will reduce losses from fire. Corrosion-resisting and rust-resisting metals are being produced on a scale which, lowering the cost, makes their employment in buildings possible.

Useful buildings have actually been razed because of the failure of concealed plumbing, heat, and water lines, but we have learned how to satisfy the oxygen in the water with metal before it is introduced into these systems. We have learned how to design piping systems to facilitate replacement, and the metallurgist has given us alloys that resist rust and corrosion to a marked degree. Floor coverings, wall decora-



Wheat can be grown 125 miles farther north



Refrigerated cars reduce spoilage of food

tions, and practically all the materials entering into construction can now be chosen for endurance, if that consideration is paramount. There should be no fear of lack of shelter in future.

Let us turn to clothing. Carlyle once said, "There are always more backs than shirts to cover them," but if this be still true, it is not due to the lack of material for the shirts. Cotton is grown in more areas than formerly. We have learned a deal regarding the reworking of fibers like wool.

The world continues to use great quantities of natural silk. In fact, that business has not appreciably declined although every year finds additional millions of pounds of chemical fibers like rayon coming from mills everywhere. Surely there is no need to fear a lack of clothing.

But what of power? Everyone who contrasts the enjoyments of America and those of other countries, recognizes the fundamental place of power in the whole scheme. Our coal resources are great and fairly well known. At the present rate of consumption they will last beyond any time that needs to be considered here. There are great deposits of coal in parts of the world not yet really open to the use of their natural resources.

Cheaper power

NOW combine with this the constant improvement in the efficient use of this fuel and we find electricity already produced with power from coal at prices lower than are possible with hydro-electric development. We may yet see coal completely converted into gas at the mines and piped to centers for light, heat and power. If the economic demand becomes great enough, still more of our water power will be developed and who will say that, when necessary, ways will not be devised for efficiently utilizing the sun's heat, the tides, and the winds?

The rate at which we are using natural resources is truly alarming.



Dusting and spraying increase plant yield

One need only consider the rate at which America alone demands metals, to be convinced of its seriousness, and yet is there no way of supplementing our resources? The elimination of waste such as that due to rust is a great factor.

Secondary metals, that is those recovered and purified for re-use, al-

ready constitute an important item of commerce. Furthermore, designers have come to realize the importance of so planning their devices that the metals employed can be recovered for re-use.

When the time comes that we no longer use raw petroleum but consider these resources materials for thorough processing, the supply will be found more nearly adequate for years to come. Motor fuel can be made by converting coal to a liquid through hydrogenation, and plants with a capacity of a million barrels a day are already operating in Europe. We shall learn to use lower grade ores and many materials now discarded as useless.

We may have no tin for collapsible tubes to carry our shaving cream, but someone will make a better tube from some nonmetallic substance, perhaps a kind of paper not now known. We may not continue to waste our lead as pigment for paint, but we will have better

protective coatings which need no lead.

Then there is synthesis, that magic word which the chemist has popularized. The list of synthetic things is long and impressive and we have only begun to work on the possibilities.

Do some of us fear for our jobs in the future? New times, new needs, new industries have been the history. If the scientist has devised ways of dispensing with services, he has also created new demands for new products and services. Indeed, if the automobile, the motion picture, and the radio with all that has been required for them had been superimposed upon our economic state without the release of labor from older industries through scientific devices, the burden would have been almost too great to bear.

How to use our leisure?

OUR fear is not for want of employment in future, but rather that the added leisure may be properly employed to the end that there shall be no intellectual starvation.

We must expect death and taxes to be with us always, but there is some hope that among the fears for the future which we may discard are those of war and pestilence. It may be maintained that the contributions of science are among the most potent in minimizing the chances of war. Wars thus far have

(Continued on page 116)



Time after time people have feared for the safety of the next generation but the next generation has found new tools and requirements—and new fears



3 • Embarrassing Moments in the Lives of Great Business Men—By Charles Dunn

★ William F. Merrill, president of the Remington-Rand Business Service, Inc., who has devoted considerable thought, effort and money to the task of devising and advertising a system which makes it impossible to misplace anything around the business office, finds that he has forgotten what he did with his hat check



Three things give Senator Metcalf faith in New England

UNDERWOOD & UNDERWOOD

Watch New England Come Back

By JESSE H. METCALF

United States Senator from Rhode Island

★ JESSE H. METCALF went to work in his father's textile mill as a boy, and learned the textile business from the ground up. He could, in a pinch, take his seat at a bench and do the work required of any hand in his factory. No one in public life knows the textile industry as well as he or is better qualified to read its horoscope

I AM often asked, "What is wrong with the New England textile industry today?"

Looking back over 50 years' association with the New England textile industry during which I have closely observed its progress as compared with other industries throughout the United States, I would say that many things contribute to the present condition of textile manufacturing.

The World War is largely responsible for present conditions. It created a demand for textiles which resulted in overexpansion of the industry. When the slump came after the war, many manufacturers who had increased their productive facilities took heavy losses.

Styles in clothing and improved heating facilities have also influenced the progress of the textile industry by producing conditions which cut heavily into the demand for cotton and woolen goods. Men and women wear much less clothing, and especially woolen clothing, than they did a few decades ago. Shortening women's skirts a couple of inches has meant a reduction of many hundreds of thousands of yards in the demand for textiles.

If the American people today wore the same clothing they wore a generation or so ago, the textile industry

might well be among the most prosperous in the United States. Improved heating facilities in the home explain, in part, this change in clothing habits. It was not so long ago that an open fireplace or two gave many an American household its only warmth in winter. There was a fire in the kitchen, and one perhaps in another room. The rest

of the house was cold, and even with warm woolen clothing we shivered as we climbed the stairs to bed.

Modern heating systems keep every room warm. This means fewer woolen garments and the readjustment has cut heavily into the textile business.

Another cause of prevalent conditions is the failure of some of the New England mills to modernize their plants. Realization of the value of constant improvement of machinery came to me most strikingly when, several years ago, I went through the Ford Motor Company factories at Detroit.

I was particularly impressed with the speed which characterized this plant. It was evident that this concern utilized each new discovery in the field of machinery.

Modernize like motor industry

I SINCERELY believe in keeping abreast of the scientific trend of the day. I am sure the New England textile industry could advantageously apply to its factories some of the methods that have been instrumental in making the American motor industry one of the wonders of the world.

In the old days the dyers in our factory, though good men, had no knowledge of chemistry; as a result effort and chemicals were wasted. To solve this problem I employed a chemist, and the resulting improvement proved the value of scientific knowledge. Other factories added chemists and before long the whole textile industry began to realize that chemistry must go hand in hand with dyeing.

New England no longer exercises a dominant hold upon the textile industry. Attracted by the lower wage scale prevailing in the South, many textile mills have gone there. Statistics on active cotton spindles in the United States in 1920 show that New England had 13,171,000 and the South 4,368,000. The next year, the South had 15,709,000 active spindles. In 1928, out of 33,570,000 spindles in the United States, New England had only 13,815,000.

Though the South has forged ahead, I believe that the New England textile industry is basically sound, and that it will enjoy in the future a fair measure of prosperity. This faith rests on three main foundations: first, the technical education of our textile men; second, our long experience, and third, the fact that New England has specialized in producing the higher grade woolens, worsteds and cottons.

Before I started to work in my father's mill, I went to England to study in

BUSINESS FOLK IN



ASSOCIATION HELPS

Chicago's Association of Commerce, headed by R. I. Randolph, helped relieve the city's troubles



SCIENTIST

Artificial lighting by means of simulated sunshine is achieved by M. Luckeish, General Electric



LEADS

The new head of the National Association of Retail Secretaries is C. Z. Coffin, of Kansas City



PEACE-MAKER

Working day and night, Lieutenant Governor Lehman, New York, settled the recent garment strike



GIVES

To perpetuate Swedish art, S. J. Turnblad, Minneapolis, has given his city more than \$1,500,000



TAX EXPERT

Working her way up, Miss Annabel Matthews has won a place on the United States Tax Appeals Board



THE MONTH'S NEWS



DIRECTOR

Sir Charles S. Addis, Hongkong, is one of the two English directors of the International Bank



N. R. D. G. A.

Philip LeBoutillier, president of Best & Co., New York, heads the National Retail Dry Goods Assn.



BOSSES BILLIONS

A. H. Wiggins bosses three billions as head of governing board in the Chase-Equitable merger



PREXY

From Princeton Dr. K. T. Compton goes to be president of Massachusetts Institute of Technology



OIL GUIDE

W. N. Davis, Phillips Petroleum, will guide oil pool development of American Petroleum Institute



BANKER

Dr. Hans Luther, former chancellor, succeeds Hjalmar Schacht as head of the German Reichsbank

the Yorkshire College at Leeds. Here I obtained a thorough education in designing and manufacture. In that day, there were practically no facilities for a technical education in textiles in the United States. Now we find technical schools for textile training at Providence, Lowell and New Bedford.

The graduates of these schools of course may seek employment in other parts of the country, but large numbers of them naturally enter mills in Rhode Island, Massachusetts and their sister states. This assures our mills an abundance of technically trained men.

Design needed in textile work

I BELIEVE that a training in design and industrial art is most important for a man who proposes to make textiles his life work. Students can take these courses while working in a mill, and when they complete them, they are qualified to advance to the higher positions in the industry. The superior knowledge and the technical skill of the many men in the New England industry today should, I feel, lead it forward to continued prosperity.

That brings me to the second cornerstone of my faith. Experience is bound to count for much, provided experience goes hand in hand with the progressive spirit. The leaders of the New England industry have had many decades of experience in studying manufacturing and distribution problems. A woolen or cotton mill cannot be started overnight by men who know nothing of the technique of textile manufacture and have a real chance of success in the fierce competition that marks the present age.

The experience of New England covers the whole field. The collective experience of the industry in New England is bound to be an asset, and it is an asset that those who predict so gloomy a future for us do not perhaps properly take into consideration.

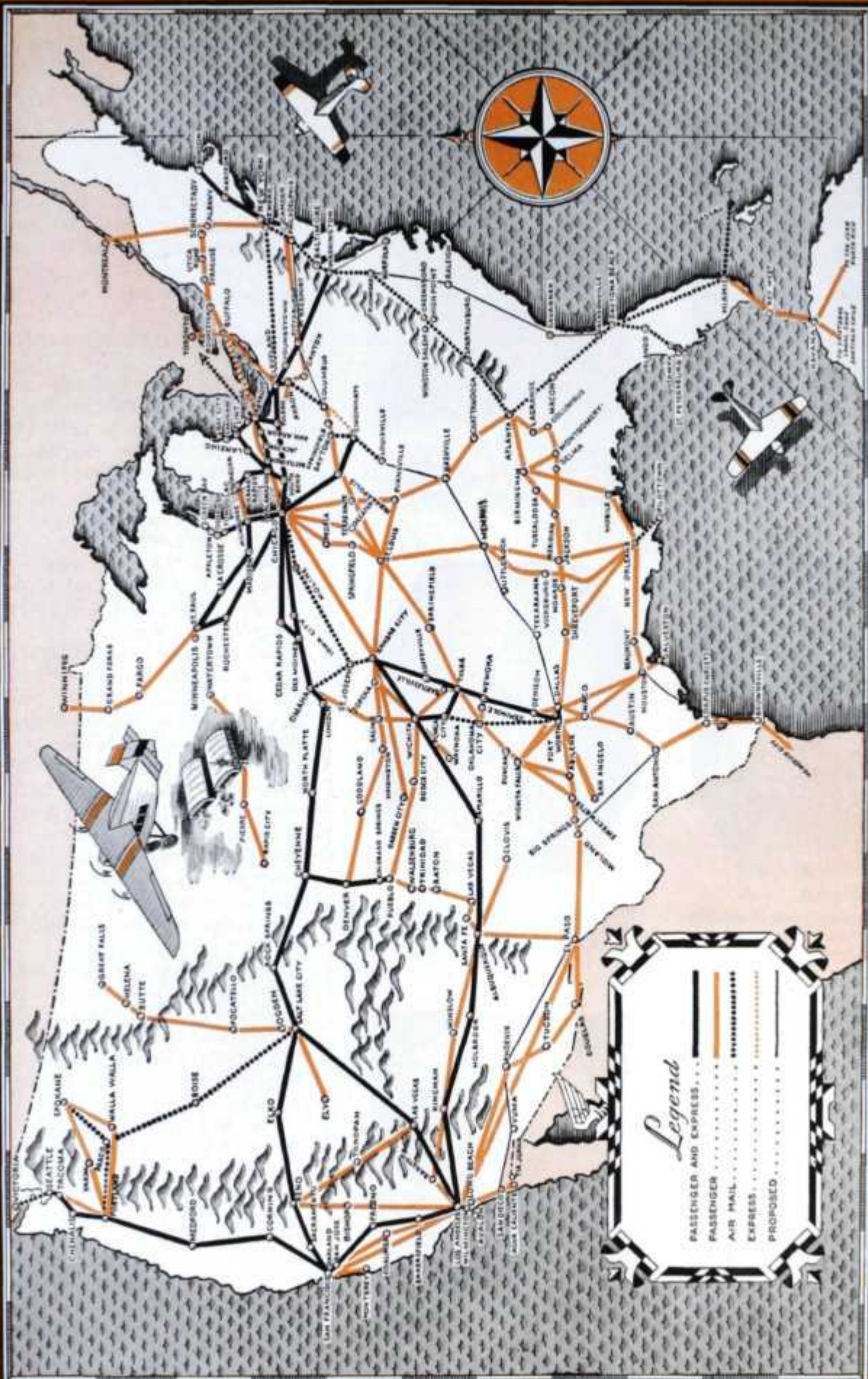
The third basis of my faith lies in the fact that we are specializing in the production of high grade woolsens, cottons and worsteds. We are supreme in this field, and it is a field where technical training and experience count heavily.

The United States is the richest single market in the world. So far as we can envisage the future, there will always be a big market here for the higher grade textiles.

If New England can retain her supremacy in this important field of the textile industry, then New England tex-

(Continued on page 132)





Nation's Business New Air-Travel Map

Air Travel Fights a Head Wind

By WILLIAM BOYD CRAIG

IN December 1928 NATION'S BUSINESS printed its first air-travel map. This was the first time that such a map had appeared in any publication with a general circulation. It will be recalled that the skeleton of the present air transportation system was even then apparent. No radical changes have been made since that time, although the present map does show extensions and developments. It may be said, however, that the last year and a half have shown no major innovations in this modern method of transportation, aside from the combination of air-rail transport which started last July.

Hard winter for air companies

THE past winter has been for many transportation companies a trying time. In spite of air-mail contracts, which are government aids of a sort, many lines have been severely tested. Reduced rates have attracted many new passengers recently, giving rise to the oft-repeated phrase that it was "fare, not fear" which was keeping many travelers from patronizing the air liners.

Few operating companies have made money. When stocks crashed last fall, many air stocks were involved in the general collapse. Since that time there has been some resumption of interest in aviation securities, particularly in stocks of those companies which manufacture planes and motors. The financial statements of the plane and motor manufacturers have been more reassuring than those of the transportation firms.

As the price of air transportation approaches that of the rails, one of the greatest assets of the former, time-saving, comes into its own. The question of price seems to be one which is perfecting itself. As rates are reduced, more passengers are being attracted. Heavier traffic in turn means larger planes which, generally speaking, contribute to a decrease in operating cost.

The public's consciousness of the danger of air travel seems not to have been extensively reduced as yet. It is probable that thousands of men would be using air lines if it were not for the admonitions of apprehensive wives. However, two factors are working to

lessen the public's fear of flying. One is the dissemination of authoritative information through the editorial columns of general magazines and the other is in the use of newspaper and magazine advertising by the manufacturers and operators themselves. Studies of improvements in equipment and the installation of improved navigation facilities looking to greater safety in flying are also making for greater public acceptance.

The spectacular portrayal of accidents has had its effect upon the public's acceptance of air travel since the beginning. The opposite also has been true. Lindbergh's flight to Paris hurried along the modern era of commercial flying. Operating companies are praying for favorable flying conditions in order that the industry may have a regular, uninterrupted period of growth during the peak period of activity.

Uniform regulation needed

AT THE risk of repeating what is already well-known by those familiar with the commercial angles of aviation, some mention might be made here of the legislative developments concerning the industry.

Federal licenses are required by 19 states and one territory for all aircraft and airmen operating aircraft within their borders; nine states, two territories and the District of Columbia require federal licenses for all aircraft and airmen engaged in commercial flying; six states require state or federal licenses and six states require state licenses for all aircraft and airmen, while eight states have no such license requirements.

The Chamber of Commerce of the United States, by resolution at its Seventeenth Annual Meeting, called attention to the necessity for uniformity of aeronautical legislation and urged that states make their laws and regulations conform to those of the Federal Government.

At the present more than half the states have laws which conform in practically all respects with the form of legislation approved by the Department of Commerce, requiring federal licenses for aircraft and airmen engaged in inter-

state flying. There is now under way a movement to have all states adopt such legislation in order to bring about uniformity in regulations for all civil flying throughout the country.

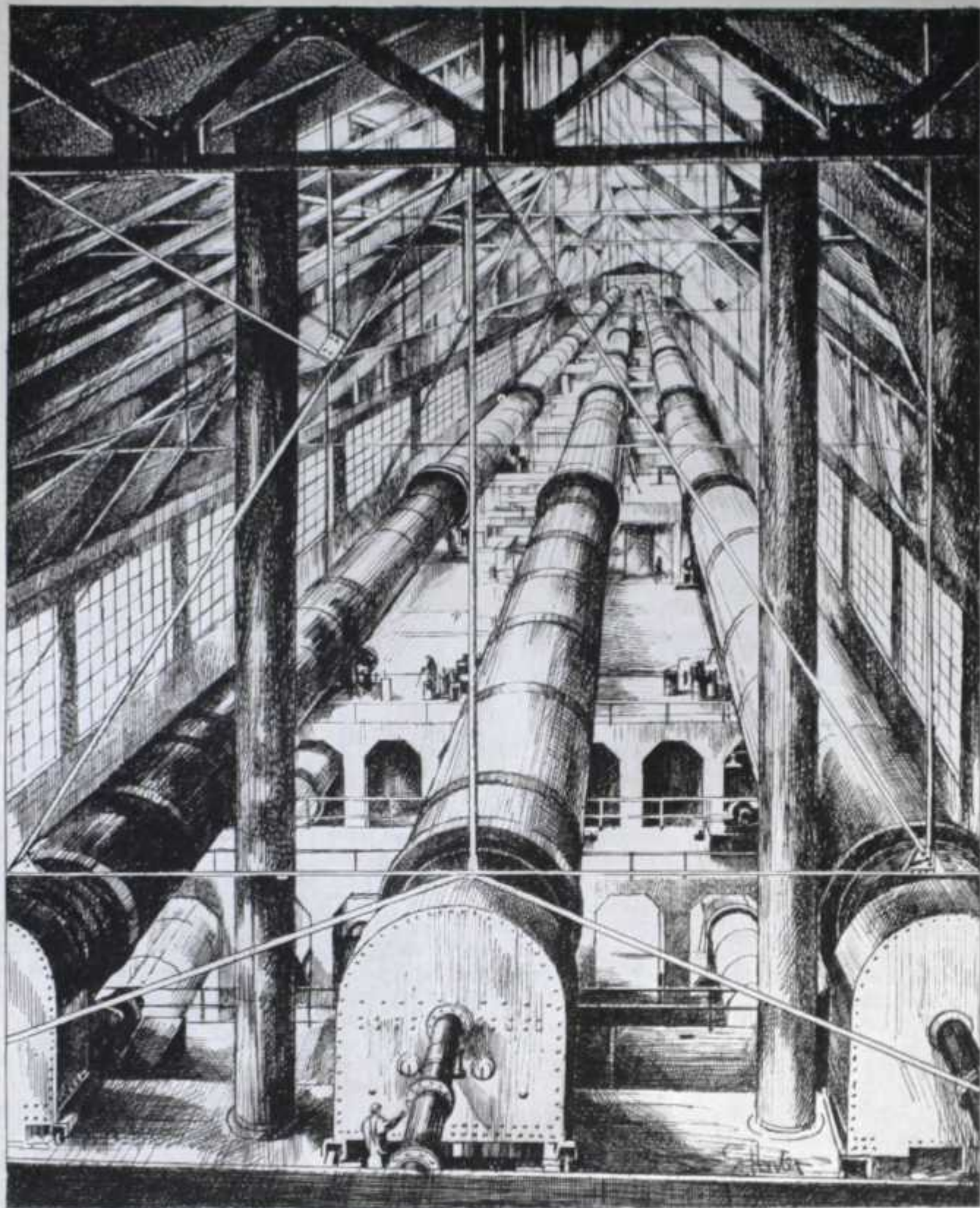
Bills authorizing the Postmaster General to have mail carried by aircraft were passed in 1920, 1925 and 1926, the one in the latter year authorizing him to contract for the carrying of the mail at fixed rates of not more than \$3 per pound for the first 1,000 miles and 30 cents per pound for each additional 100 miles. In 1928 that law was amended to allow the Postmaster General, without asking for competitive bids, to extend the life of the contracts from the original four-year period to a maximum of ten years.

He was also authorized to revise the rates, downward only, through negotiation with the contractors. The provision for extension of existing contracts is said to have been designed to recognize the equities of the pioneer operators who put large sums into the development of their routes.

Mail rates are uneven

A MORE equitable basis of compensation is being sought to replace the present basis, under which amounts paid to contractors depend largely on weight without regard to distance. For example the present rate per pound from New York to Boston is \$3; from New York to Chicago, 86 cents; Chicago to San Francisco, \$3; Chicago to Atlanta, 76 cents; Cleveland to Pittsburgh, \$3. In most cases the compensation to the contractor is in excess of the Government's revenue from the operation, especially for mail passing over several routes. Furthermore, on the pound basis, the contractor has to provide equipment for carrying such mail as is offered, and take the risk as to whether it is a paying or a losing cargo.

Congress is considering a bill which recognizes the equities of existing lines by authorizing the Postmaster General to extend the contracts to a full period of ten years from the original date and to compensate the carriers on a basis to be determined by the Postmaster General.



Steel Kilns That Burn Cement—By Earl Horter

PROBABLY the largest pieces of moving machinery in the world, these rotary kilns represent one of the most spectacular phases of the cement industry. In these kilns the finely pulverized materials that go into the manufacture of Portland cement are chemically combined by means of heat which ranges from 2,500

to 3,000 degrees Fahrenheit. The white-hot mass rolls over and over upon itself, slowly traveling toward the lower ends of the kiln where it drops into the cooler, there to form into hard, black clinkers which then go to the grinding mills. The kilns shown here are 219 feet long and nine feet in diameter



Luiz rustled food from the kitchen while Arturo and I bandaged each other with Luisa's help

The New Sales Manual Didn't Cover Revolutions

By RALPH MOONEY

ILLUSTRATIONS BY CHARLES DEFE0

MICHAEL MALONE, manufacturer's representative, is writing a letter to Mr. MacDonald, whose company he represents in the Central American republic of Estrella. MacDonald had sent Percy Atwell, sales instructor, to find out why Malone was not getting orders. Malone has explained that, with Atwell, he called at the store of Arturo Gonzales, his best customer and found that Fernando Barros, a revolutionary leader, had confiscated the place and was holding Gonzales and his family prisoners in their home. Malone sent Atwell to a nearby town on a bet that he could not get an order there and, with his servant, Ygnacio, an Indian, attempted to rescue Gonzales. Malone was captured and locked up with the other prisoners. Ygnacio escaped.

PART II

AFTER half an hour, the children were asleep but Arturo and Luisa were still talking gaily, saying they were glad I had come to help them and seemingly forgetting all about the fix we were in. The door opened. A fellow with a lantern entered,

Barros followed him and another stood in the doorway holding his rifle. Barros looked us over.

"This settles it, Gomez," he said to the man with the lantern. "The American has tried to aid them. They must all be shot at once."

"Si, compadre," Gomez said. "Here?"

"No, not here. The neighborhood is not friendly to us. I have sent for an automobile. We will take them to the old fortress." Barros glared at me. "Now, you will pay the penalty for interfering. Come out here. Gomez, see that he is bound and gagged."

Beyond the door, in the dark, I could make out half a dozen figures. It looked hopeless.

I took a step forward. Then came the most awful sound you can imagine. It was a thud and a crunch and it told me a man's head had been smashed in by something heavy. It was followed by a kind of whistling noise and a choked scream.

"Fight, Don Miguel! We are here."

That was Ygnacio and I knew he had raised some kind of reinforcements. You understand now why I like to have that boy around, don't you?

"Come on," I said to Arturo.

Bad arm and all, I made a flying tackle on Gomez, smothering the lantern. At the same time, Arturo who was third

string left end at Yale in his day, hit Barros and charged him back through the doorway, knocking his pistol out of his hand as he tried to draw it. I knew I couldn't hold Gomez with one hand so I rolled away from him and got up and kicked. I registered, too. He yelled and managed to run out the door.

Free again •

THE shindy out there went on for about half a minute. Then there were two or three pistol shots and the sound of running. Then quiet, except for heavy breathing.

"Come, Don Miguel," called Ygnacio. "We must make haste."

"Come, Luisa, Miguelito, niños," said Arturo. "Pron-to."

We were free. The Pocos were all cleared out except those we stumbled over as we went into the patio.

"But where?" said Arturo, as we headed for the wall at the rear of his property.

"I think Luiz's shop is the best place I know of," I suggested.

"Good!"

We got over the rear wall and went out through a neighbor's *zaguan* and had empty streets clear to Luiz's. On the way, Ygnacio said that he heard me fall and ran to the home of one of Arturo's servants. The servant was a fellow Arturo liked and he was glad to take a whirl at the *sovietistas* who had not been kind to him when they kicked him out.

Ygnacio managed to recruit another hand, a Zapotec friend, and the three came to help us. The Zapotecs, by the way, are a blamed high type of man. They were rulers up in Mexico centuries ago, before the Toltecs whipped them and before the Aztecs whipped the Toltecs and Cortez whipped the Aztecs.

Arturo's servant had a key to the little door in the *zaguan*. He also had a machete or corn knife or something useful of that kind. Ygnacio got hold of a two foot length of iron pipe and his brother Zapotec a wooden club. I don't know whether it was the pipe or the club I heard make a thud as the battle opened but it was the machete that made the whistling sound. They slipped up on the *sovietistas* and said nothing until they had each picked a



Barros jumped down the steps, pistol leveled; Gomez stood right behind him

man and laid him out. Toward day-break, we got to Luiz's shop. I scratched on the shutters of his window, giving a signal that I had arranged with him and he let us in and put us in a room at the rear, a funny little place that you went down two steps to get into. Luiz hung a blanket over the window and got a light and we all sat and looked at each other.

Injuries all around

YGNACIO and his two friends were the life of the party. They wanted to talk about what a good fight it was. The rest of us were not so happy. Luisa and the children were completely out. I was about three per cent better than they were and Arturo was, say, seven per cent better than I. He had a bad cut on his arm and another on his forehead but was full of fight.

Luiz is a thoughtful old fellow—have I mentioned that he is 60 and gray as a badger? Anyhow, he is. He began to rustle food in a tiny kitchen that was walled off out of one corner of the room. Ygnacio took his two friends in there to get a bite. Arturo and I bandaged each other, with Luisa's help, while the kids went to sleep on the floor.

After daylight, Luiz went out scout-

ing and found that Barros and Gomez had been hurt in the fight but were out now, raising *bolshevistas* and sending them to hunt for us. Luiz said the working people of Obispo were not especially inclined to favor the mountaineer soviet but they were afraid of it. Anyone who saw us was likely to report to Barros just to win favor.

I had a fair sum of money on me. None of the others had a cent. I was dressed in a suit of old clothes, torn and dirty. Arturo had on shirt and trousers and the shirt was stained with blood. Luisa wore an afternoon dress, with sleeves, old pumps and stockings, but no hat. The children had on fairly good clothes but were terribly dirty.

Disguise as tourists

ARTURO and I favored a bold stroke to get out of town. Luiz's kitchen opened on the patio of the big building in which his shop was located. The upstairs of the place was a tenement that sheltered several dozen families. One fellow had a big car that he drove for hire. He kept it in a shed on the patio.

We planned to hire this car, promising the driver plenty if he delivered us in Estrella City. We would send out and buy a loud, American sports suit for Luisa, a red jacket, white skirt and red hat lay-out. Ygnacio, who was least likely to be recognized by the Pocos, was to go to the hotel and get fresh suits from my trunk and Atwell's for Arturo and me. Also, Luiz was to pick up brand new straw hats and shell-rimmed glasses for us. We were to get in the car in the patio. The children were to lie on the floor, covered with Indian rugs, while Arturo, Luisa and I sat up on the seats.

The driver would start the minute we were in place and, right in the middle of the afternoon, we would drive out the boulevard, pretending to be a party of American tourists, down to look at the mines or something like that. I was to keep my injured wrist out of sight, Arturo and I were to smoke big cigars and we were all three to keep shouting things in English and pointing every which way. We were going to invite attention instead of shrinking from it. Maybe it was a foolish idea but we reasoned it was more likely to work than an attempt to sneak away.

Arturo's servant and the friendly Zapotec had done all they could for us.

We rewarded them and let them leave through Luiz's store, one at a time. There was no chance of their being suspected of helping us. Luiz began getting our things together and got the fellow with the car ready at his back door. We started Ygnacio out to the hotel after Luiz had dressed him in an old shiny black suit, with a collar but no necktie, so that he looked like some kind of clerk.

Atwell spoils the plan

WE spent a feverish half hour waiting for him. He was the only man, you see, who could get into the rooms Percy and I had taken at the hotel. He had to go but if he was recognized on the street, our plan would be shot to pieces before it even had a chance to work. Well, he wasn't recognized. He came in, with the clothing and cigars in one of my suitcases. Arturo and I already had our new straw hats and glasses on and were waiting in our underwear. We each grabbed suits and shirts and began to put them on. Ygnacio went into the kitchen where Luisa, dressed in her new outfit, was waiting with the children.

And then—

"Ah, Malone! I was wondering where you were when I saw Ygnacio go out

of the lobby with your grip. So I followed him. Why, Malone! What on earth has happened to you? You've been hurt and—by thunder! What is this fellow doing with my suit?"

MacDonald, haven't you—just once or twice, maybe—deep down in your heart, wanted to murder Atwell? I'll bet you have. Anyhow, I did then. But there was no need to think about it. Right at that moment, your prize sales instructor was standing with one foot in his grave. No, one foot is putting it mildly. He was practically lying in it.

"Ah ha!"

Barros jumped down the steps into the room, pistol leveled. Gomez, right behind him, stood in the doorway. And there I was, with one leg in a pair of trousers. There was Arturo with a coat and vest half way on. There was Atwell, with his mouth wide open.

"Ah ha!" gloated Barros. "I know the two Americans come to Obispo together. One is not to be found so I watch the other. I follow him here and I have capture everyone."

I said a sort of prayer. Not one that you'll find in any prayer book, though.

"Oh, Lord, now we're all going to be shot."

If I am gifted as an actor, I'm also gifted with imagination. I visualized a

quick trip out to the old fortress. I saw us in a row against a wall. I heard the rifles. And then I imagined you wondering what had become of Atwell and me. If you ever started an investigation, I knew it would do no good. The governor and Barros would have everything buried a mile deep in alibis and red tape before you even could begin writing to the authorities about us.

I stood frozen. So did Arturo. So did Atwell. For just an instant. Then, *spat!* My ear drums cracked as an automatic pistol went off in that little room. *Spat!* Again. At first, I thought I was being shot. Next, I thought it must be Arturo but while I was looking at him, I saw out of the corner of my eye that Barros was dropping face forward and Gomez was rolling down the steps. Ygnacio bobbed out of the kitchen, smiling.

But it has to work

"AH!" he said, "I got a pistol during the fight last night, Master. I was hoping to see these men again."

"The plan!" said Arturo, of a sudden. "The original plan. It's got to work now."

"Right," I said, "let's go."

I dragged on the rest of my clothes, putting my pistol ready on the table, in



As we stopped, he smiled graciously and lifted his hat to Luisa. "Señor Gonzales," he said, "I am indeed glad to see that you are at liberty. The Governor extends his compliments"

case anyone tried to come in from the shop. Arturo ran out to put Luisa and the youngsters in the car.

"My God!" I heard. "Oh, my God, Malone! What does this mean? Your valet killed those men."

"Atwell," I answered, "you're so near dead yourself that you can't afford to worry about it. Come on—run!"

For once in his life, he didn't argue. We got in the car and the driver—his cheeks were pretty gray because he had heard shooting—took us out of that courtyard on the fly. We saw a crowd gathering at the door of Luisa's shop. It was a big break in our favor that Barros and Gomez had come after us with only a single Poco bodyguard, a fellow who had decided not to avenge them but run and spread the alarm, so there wasn't a *sovietista* on hand as we went down the street.

When we were on the boulevard, I told Atwell what had been going on and we settled to playing we were American tourists. Atwell was pale, at first, but he got into the front seat of the car and he turned to us and yelled and pointed every five seconds. He pointed at shops, dwellings, stray dogs and vacant property.

"I'll bet that lot is worth a hundred dollars a front foot," he kept saying. "Ten years ago, it wasn't worth a dime."

It must have been a good show. People stared and scowled and some of them must have been out there looking for us but nobody bothered us. We ran out of the city and began to hit it up over the highway to Estrella and I introduced Atwell to the Gonzales family. As he got the hang of things he began to feel better. Until, of a sudden, he happened to look back.

General Valdez arrives

"MY GOD!" he groaned. "There's a car following us. Speed up! Oh, tell him to put on speed. Let me drive."

I looked back and saw an open car coming like the wind. I was just going to order our driver to cut loose when I noticed the car behind had only two men in it. That didn't look serious so I reconsidered.

"We're supposed to be sightseers," I said. "Let's take a chance and pretend we haven't a worry in the world."

The car came up, roared past us and stopped ahead. One man got down from it. He was in full uniform of the Estrellan Army. Arturo said:

"The general—old Valdez."

I knew that Valdez was the fellow in command of the garrison. As we

stopped, he smiled graciously and lifted his cap to Luisa. He stood beside our car, stroking his gray mustache.

"Señor Gonzales," he said, "I am indeed glad to see you are at liberty. I am here on behalf of his Excellency, the Governor, to say that he presents his compliments and desires to inform you that, had he known of your unjust and atrocious imprisonment by the agitator Barros, he would have taken immediate steps to secure your release."

This was blah, of course, but Arturo knows the game.

"I am sure of that," he said. "It was impossible for me to notify him."

Valdez bowed.

What the capital shouldn't know

"HIS Excellency has requested me to inform you that your liberty is guaranteed henceforth and you are to receive liberal damages. Also, he presents his compliments and begs to suggest that it might be much better if you did not leave the city at present. He would, to be frank, prefer that no word of conditions that have existed in Obispo should get abroad. He would prefer that nothing be said of it at the capital."

"Ah yes," smiled Arturo, "I would be pleased to gratify his Excellency but I fear for my friends here. It seems there has been some trouble, an accidental discharge of weapons that led to bloodshed—"

The general gave a little sniff of genteel amusement.

"If you refer to the killing of one Barros and one Gomez, we wish to say that it is our understanding this was done in defense of life and property. Barros had no legal sanction for his undertakings and there will be no further discussion of that affair. Indeed, I am certain his Excellency would wish me to remark privately that the death of this Barros is more, shall I say a convenience, to him than an embarrassment. The soviet has been disbanded by executive decree."

The long and the short of it was, MacDonald, we turned back to Obispo. Arturo went home, recalled his servants, and had us all out to dinner, including the general.

Yesterday afternoon, I put Atwell on a train for the seacoast and, as we waited at the station, he said:

"Malone, you seem to be a very reckless, dangerous man. You came out of this scrape safely but at risks I hardly like to remember."

"Oh well," I said, "forget it. By the way, what did you do at Bondad?"

He looked haughty but he reached

in his pocket and gave me a dollar to settle our bet.

"I was arrested," he said, "and as nearly as I can make out, examined for signs of insanity."

"What on earth did you do?"

"I called at Carreras' office. His secretary refused to take my card in or let me open my catalogs. He told me to meet Carreras at a certain café at four o'clock if I wished to talk business. I found that two rival salesmen were in town and I don't believe in doing business in cafés anyhow, so I attempted a little later to enter the office by way of a washroom and walk up to Carreras' desk unannounced. It is a scheme that has never failed me at home but Carreras is a poor business man. He has no respect for initiative. He simply called in people and had them send for the police."

I couldn't help laughing.

"Percy," I said, "I hope you see that you gummed up an easy sale because you didn't know the first thing about doing business in these countries. In the United States, you try to make a man like your goods; down here you try to make him like you. You must never force a sale. It simply isn't done."

"Malone, I won't let you get away with such nonsense as that. You deliberately sent me to a man who is eccentric in his way of doing business. Your ideas of selling are worthless. So far as I can see, they only lead to murder and shooting."

Mixing revolutions and sales

"THAT'S where you're wrong," I said. "Here is an order Arturo and I wrote up this morning. Everything is cleared up now, you see, and he's eager to open his store again. Ship this stuff C.O.D. New York or New Orleans and tell MacDonald to stand by to fill a telegraph order next week."

Then Percy's train pulled out.

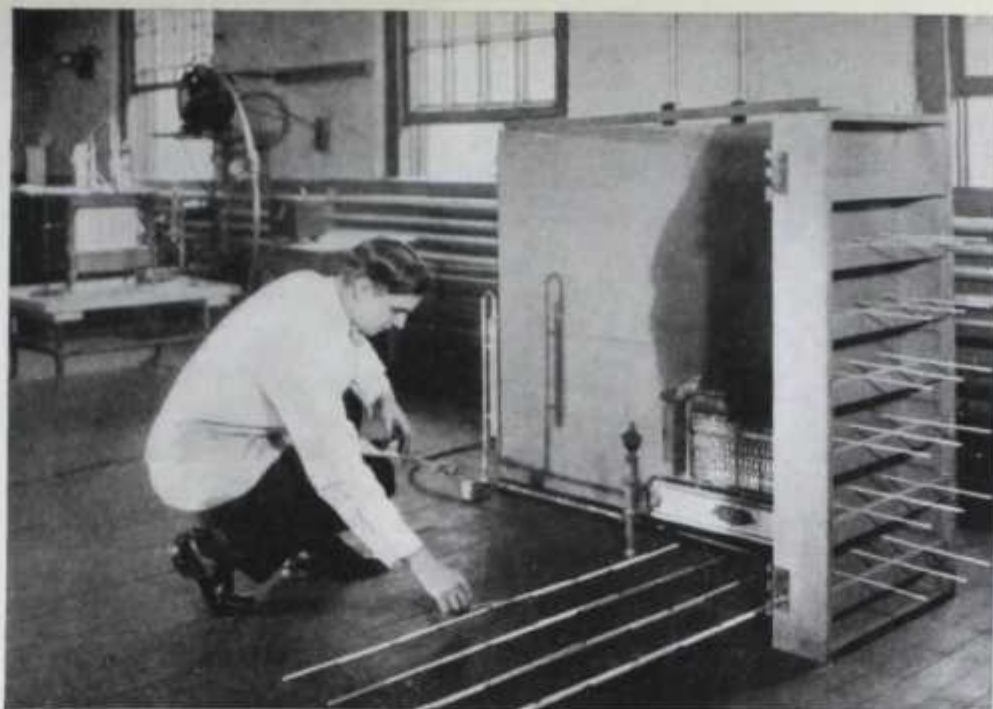
Yes, I know exactly what his report on me will be. I know. But, I ask you, could I have done anything different?

Yours,

MICHAEL MALONE

P. S. Just as I was sealing this letter, your wire came; hence I am able to put on a postscript. So Atwell wirelessly you from his boat and it's congratulations! And he says he thinks I am an ideal man for this job and suggests we put Ygnacio on the pay roll as my secretary?

MacDonald, I want to apologize to you and to him. That fellow is a good sport after all, isn't he? Why in the world does he try so hard to hide it?



Conducting a fire hazard test on a heater in the Gas Association's laboratory

The Oldest Utility Regains Its Youth

By CHARLES E. LUCKE, JR.

AFTER MORE than a century of varying fortunes, the gas industry of the United States has turned a corner. Many signs point toward a super-gas evolution.

Just as the railroad and the electrical industries have gradually gone through successive mergers and consolidations, tie-ins and interconnections until well defined centralized systems were evolved, so the gas utilities are beginning to show signs of conforming to the successfully established economic laws of the larger American businesses.

For an industry which antedated electricity by nearly a century, the gas business has been notable for its slow progress and unwillingness to adopt more progressive practices. From its birth in Baltimore in 1816, the gas industry saw a steady but slow growth until electricity came into its own. The

BORN in Baltimore in 1816 the gas industry prospered briefly before it dozed into a state of somnolence. Then the American Gas Association was formed. It proved that an industry is only as old as it feels

loss of the lighting revenue might well have been fatal had it not been for sudden and drastic changes in policy by the gas men.

Regained its lost ground

HEADED by the American Gas Association, the gas industry adopted more progressive sales technique, modern advertising and new business methods. Relentless house cleaning resulted in the gas companies regaining all lost ground.

After it had captured the cooking load of most of urban United States the in-

dustry once more stood still. Half-hearted attempts were made to build up a water-heating load but progress was painfully slow and while the financial status of the industry did not suffer it certainly improved little over what

could logically be expected from the normal increase in population.

But the unmistakable and encouraging indications of 1930 point to a future gas industry far different from that of the past. Daily one reads of this or that gas company merger, of startling interconnections, of vast inroads into the mechanical-refrigeration field, of encouraging progress in gas house and water heating and of ever accelerating increases in industrial gas consumption.

Interconnection cured many of the ills of the smaller electrical utilities by eliminating wasteful and obsolete generating stations, cutting down overhead,

and obtaining diversity of load and more reliable service with less investment. Now exactly the same factors are becoming significant for the manufactured and natural-gas industry.

Capacities increasing

NEARLY 200,000 miles of trunk and branch-line pipes, ranging from 24 to 14 inches in diameter, are now in service. With the increasing pressures being used, the gas carrying capacities of these mains is constantly going higher.

Gas is now being transmitted from the natural-gas fields of Louisiana some 469 miles to Birmingham, Ala., and Atlanta, Ga.; from the Monroe-Richland fields of Louisiana to St. Louis in a project involving 15 river crossings; from Baxter Basin, Wyo., 117 miles to Salt Lake City; from the Baker Glendive area in Montana to the Black Hills of South Dakota; from the gas wells near the San Joaquin Valley oil fields, to San Francisco 250 miles away.

Still vaster projects are in hand. One of them involves the building of a line from the Texas Panhandle to Chicago, while another big pipe-line will feed Winnipeg, Canada, from wells in the Calgary territory, which is nearly 700 miles away.

The Eastern Seaboard is coming in for its share of attention for the first time with the Columbia Gas and Electric Corporation having extended its natural gas lines from northwestern



As modern gas plants of great capacity are built old ones are junked or held in reserve

Pennsylvania across New York through Olean and Binghamton and thence to the outskirts of Jersey City.

This same utility has also main lines from the West Virginia fields near Morganville to industrial southern Pennsylvania and Philadelphia and thence across the Delaware River to Paulsboro, N. J., just south of Camden. These mains and probably others will supplement, reports indicate, the manufactured product now being distributed by the United Gas Improvement Company and Public Service Electric and Gas Company.

Present indications are that special lines will be laid so that straight natural gas will be sold to large industrial users, thus in part duplicating the present distribution system.

Many large industrial consumers not

miles

469

447

400

350

290

250

234

218

210

175

175

143

111

75

65

60

53

45

now able to use gas will be able to purchase this natural fuel. This project is said to involve some 40 million dollars.

Much of this gas will doubtless be used to enrich the blue water gas, displacing the oil now used to give this product the heat content required by the respective state regulatory commissions.

Perhaps a few figures will give the true picture of this development more quickly than it can be given in words:

A few recently constructed or projected pipe-lines:

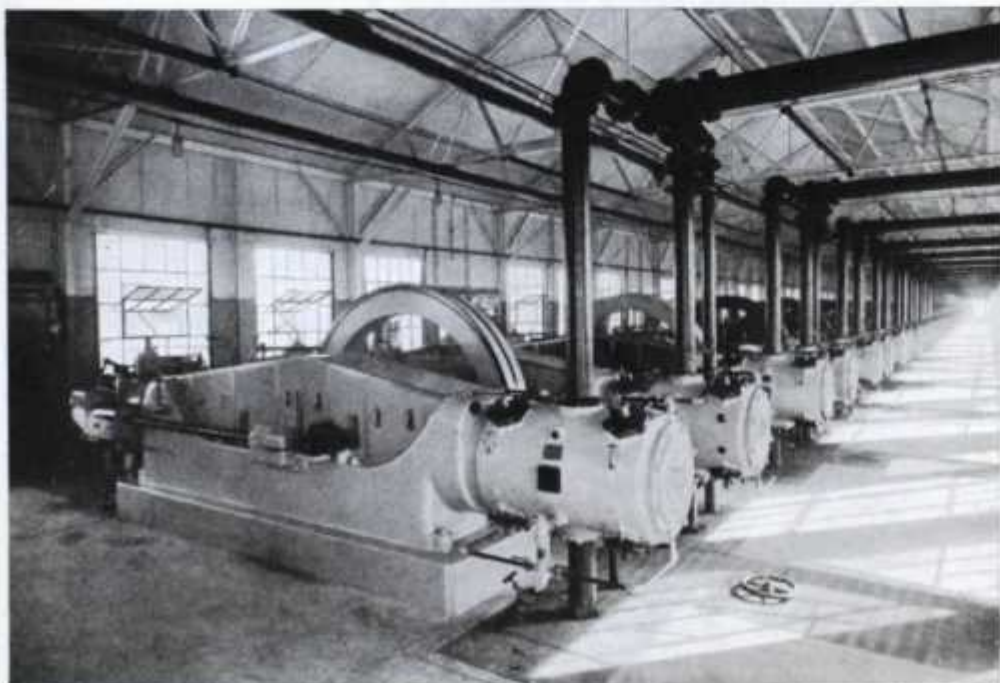
Louisiana to Birmingham and Atlanta	469
Louisiana to St. Louis	447
Texas to Wichita and Kansas City	400
Texas Panhandle to Denver	350
Wyoming to Salt Lake City and Ogden	290
San Joaquin Valley to San Francisco and Oakland	250
Bruni Field to San Antonio, Texas	234
New Mexico to El Paso, Texas	218
Louisiana to Memphis, Tenn.	210
Montana to Rapid City, S. D.	175
West Virginia to Louisville, Ky.	175
Texas to Monterrey, Mexico	143
Sunburst Field, Montana to Great Falls	111
Barber County to Hutchinson, Kan.	75
Saginaw to Springfield, Mo.	65
Kettleman Hills to Fresno, Calif.	60
Atchison, Kansas to Falls City, Neb.	53
Portland to Salem, Oregon	45

More efficient

BEHIND these systems are vast expenditures; some are being supported by pipe-line or transmission companies, others by urban distribution interests, and still others by some of the larger oil combines which find that their natural-gas output, much of which had hitherto been wasted, is now much sought.

As these lines are built, the small utilities along the route will have a source of cheap supply which will result in shutting down many uneconomical local gas plants. Whole communities where gas was

(Continued on page 212)



Batteries of compressors make it possible to transport gas through pipe-lines to markets more than 400 miles distant

The New Six Cylinder CHEVROLET TRUCKS



Outstanding Economy Reduced Prices . . . Low Operating Cost

Year after year, Chevrolet trucks have been constantly winning greater favor because of their remarkable economy of ownership and operation. But never has Chevrolet's famous economy been so outstanding as it is today.

For, with all their greater power, strength and stamina—the new Chevrolet six-cylinder trucks are lower in first cost—and even more economical to operate and maintain!

Both the Light Delivery and the 1 1/2 Ton Truck Chassis are now available at greatly reduced prices.

The great 50-horsepower six-cylinder valve-in-head motor

delivers amazing economy of both gasoline and oil. The sturdier rear axle—the refined 48-pound crankshaft—and many other factors of strength, reliability and long life—result in greater day-after-day dependability. And Chevrolet standardized service—with its low flat-rate charges for every service operation—means an added saving in the cost of maintenance.

Before you invest in your next motor truck—see your Chevrolet dealer and arrange for a trial load demonstration.

You'll find that from every standpoint the new Chevrolet six-cylinder trucks set a new standard for the low-price commercial car field.

CHEVROLET MOTOR COMPANY, DETROIT, MICHIGAN
Division of General Motors Corporation

The Utility
1 1/2 Ton
Truck (Chassis Only) **\$520**
The
Utility 1 1/2 Ton Truck **\$625**
(Chassis with Cab)



The Light
Delivery
Truck (Chassis Only) **\$365**



The
Roadster
Delivery (Pick-up box extra) **\$440**
The Sedan Delivery (Body by Fisher) **\$595**
All prices f. o. b. factory
Flint, Michigan

A SIX IN THE PRICE RANGE OF THE FOUR

When visiting a CHEVROLET dealer please mention Nation's Business

They Wouldn't Let Business Fail

By FORREST CRISSEY

Author of "The Story of Foods"

THE building industry faced stagnation but its leaders did not sit down and cry about it. Instead they sought a new market to replace the one that had failed. What this search revealed and how they took advantage of it is an inspiring story



PHOTOS COURTESY OF HOME MODERNIZING BUREAU

This transformation is one of many wrought when the builders made it possible to buy a remodelling job as a unit instead of as a series of repairs



IN A PROLONGED period of home-building stagnation, many towns in the United States are so extensively modernizing their old domestic habitations as to suggest that the building boom which followed the World War has somehow failed to collapse on schedule.

Behind this apparently contradictory situation is one of the most interesting chapters in the history of industrial team-work—a happy combination of smart business, good civics and sound economics applied directly to the improvement of American homes and communities.

The signing of the Armistice witnessed the greatest housing shortage ever known in the United States. Consequently, an unprecedented building

boom swept the country. But as the building industry was well equipped and highly organized its pick-up was unexpectedly swift. By 1926 it was evident to the leaders in this field that the great task of providing shelter for the nation had not only been done but overdone and that the building trades were about to awaken from a period of riotous feasting to days of leanness and hunger.

Some of the most farsighted of them, however, held stubbornly to the conviction that there is generally some way out of any bad situation if it is attacked with sufficient intelligence, resourcefulness and determination. They wanted the facts regarding the dwellings which sheltered the "common people" of this country. A survey was made.

Habits and the previous trend of the building industries had led virtually all

men engaged in them into thinking of home building as the erection of new dwellings.

The big surprise of the survey was this. Twenty million dwellings in the United States had an average age of 13 years. Hundreds of thousands of them had been built 25, 30 or 50 years before and at least 12 million of them were in obvious and urgent need of modernizing.

Campaign for modernizing

HERE was a waiting market equal to a 20 year building program in the construction of new dwellings. Instantly the building industries got together and planned a campaign to gather in this vast neglected harvest.

Once awakened to the prospect of recaptured prosperity, building leaders formed a non-profit corporation called the Home Modernizing Bureau of the National Building Industries, Inc.

Their confidence was based on the de-

They
provide the
nearest approach to per-
fection in artificial
illumination.

Holophane

ARTIFICIAL LIGHTING UNITS

A SPECIFIC UNIT FOR EVERY LIGHTING REQUIREMENT

HOLOPHANE COMPANY
NEW YORK — TORONTO

DISTRIBUTORS' DEPOTS IN 83 CITIES

duction that if they, as sellers, had so long been blind to the advantages of the house rehabilitation market, it was reasonable to assume that the owners were similarly afflicted.

In a word, give these owners of antiquated homes leadership, vision and coöperation and they will become an enthusiastic army of builders.

Those who planned and financed this nation-wide movement saw that they faced a task of overcoming a vast body of mental inertia and confusion respecting the possibilities and difficulties of home modernizing, of showing the owner of an antiquated house how it could be transformed into an attractive, convenient and comfortable modern home, how much this transformation would cost and how much it would add to the value of the property.

This task called for expert leadership which would assume from the start, the artistic, constructive and financial responsibility of each individual adventure in home modernizing. First it was necessary to know why the owners of antiquated houses had failed to modernize them. Most of them gave one or more of the following answers:

"They don't finance remodeling jobs as they do the building of new houses, so I'm told."

"I can't afford to hire an architect who can see just what should be done and who can show me, on paper, before the job is started, how it would look when finished."

"If it were just a matter of hiring a carpenter, I'd go ahead—but I'm too busy to chase around and hire all the different kinds of workmen required. Besides, I don't know any contractor competent to do that sort of work, who wants to do it."

Modernizing is now one job

"I CAN'T see how anything is going to look until it's finished. If somebody would show me exactly what could be done with this house, inside my means, and prove that it would pay, I'd be a good prospect."

This survey was encouraging. It revealed a latent inclination among owners to bring antiquated homes down to date.

Another angle developed was that a major hindrance to the modernizing of homes had been the owner's inability to buy at one place and one time a finished home modernizing job—as complete as if it were an automobile. In other words, hundreds of thousands of owners were prevented from making antiquated

houses modern because of confusion and distrust of their ability to assemble the materials and workmanship required. Today, in any town or city having a local home modernizing bureau, the complete job can be bought at one sitting. If the owner wishes to distribute the payments over a period of time, the bureau makes that arrangement.

The first step is to send a competent man to determine what treatment will give the house an artistic and modern appearance at the least expense and provide the changes necessary to make its arrangement meet the convenience and comfort requirements of the family.

The bureaus in the larger centers employ architects as contact men, but in towns too small to justify this expense, a man of practical building experience is used. He fills out a blank with a detailed description of the unmodernized dwelling. This report, together with floor plans, a photograph of the house, and a list of owner's requirements, is sent to the Architectural Department of the National Home Modernizing Bureau where an architect works out the problem. The architect's sketch and floor plan show the owner how the dwelling will look after the changes.

It is the policy of all bureaus to let their architects attack each individual modernizing problem on the basis of providing working plans which will provide the soundest investment for each individual piece of property, considering its location, its "real estate future" and the special needs of the family.

Job must be planned

EXPERIENCE in many thousands of instances indicates that the common tendency of owners who attempt to plan their own modernizing improvements is to skimp the job, to make the changes less drastic than the good of the entire investment requires.

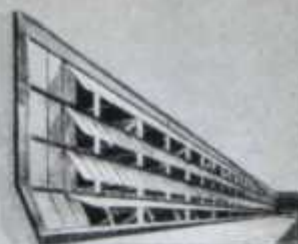
The experience of the home modernizing bureau in Topeka, Kan., has been typical of local bureaus throughout the country. The average modernizing job there in April, 1928, amounted to \$332 while the average in the same month in 1929,



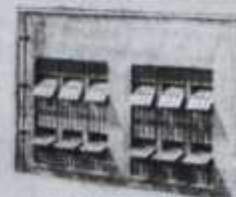
PHOTOS COURTESY OF HOME MODERNIZING BUREAU

This restoration produced an attractive guest room where there had been disorder approximating chaos



INDUSTRIAL STEEL DOORS
SWING TYPE6-12" OPEN TRUSS
STEEL JOISTSCONTINUOUS STEEL WINDOWS
AND MECHANICAL OPERATORSINDUSTRIAL STEEL DOORS
SLIDE TYPE

Know Truscon! Know the many savings, the many improvements and the extensive co-operation which Truscon offers you in any contemplated building program. It makes no difference what type of building you are considering. It may be a skyscraper or a residence—a factory or a warehouse—a hospital or a school—a shop or a garage. Whatever it is, Truscon can help you. Truscon manufactures steel products for every need for every type of permanent building. More than that, Truscon co-operates with your architect or builder in choosing the particular types of steel products which will give you a better building and at the same time economize on material and time costs. If you plan to build it is good business first to consult Truscon.



PIVOTED STEEL WINDOWS



HANGAR STEEL DOORS



DOUBLE-HUNG STEEL WINDOWS

FOLDING STEEL DOORS
JACKKNIFE TYPE

I-PLATES

STEELDECK ROOFS
INSULATED AND WATERPROOFED

FERROBOARD



PROJECTED STEEL WINDOWS

SERIES "A" Pitched Roof Types

STANDARDIZED STEEL BUILDINGS



TYPE 1

TYPE 2

TYPE 3

TYPE 3-M

TYPE 4

SAWTOOTH TYPE

SERIES "B" Flat Roof Types



TYPE 1

TYPE 2

TYPE 3

TYPE 3-M

TYPE 4

TYPE 4-M

Build Now While
Costs Are Low

TRUSCON STANDARDIZED BUILDINGS

Truscon also manufactures complete buildings. These buildings are furnished in many types and nearly all sizes. They are built of standardized units, yet are individually designed to meet your needs. You can have side walls of any description—any arrangement of doors and windows—and Steeldeck Roofs insulated and waterproofed. Every particle of

material that goes into these buildings is made by Truscon right in the Truscon plant. In short, a Truscon Building embodies in one assembly a substantial portion of the steel building materials which Truscon manufactures. These buildings provide three savings—material, labor, time. Write for suggestions and standardized building catalog.

TRUSCON STEEL COMPANY, YOUNGSTOWN, OHIO

Pressed Steel Division, Cleveland, Ohio

The Truscon Laboratories, Detroit, Michigan

Truscon Steel Company of Canada, Limited, Walkerville, Ontario

Engineering and Sales Offices in All Principal Cities

When writing to TRUSCON STEEL COMPANY please mention Nation's Business

with bureau methods in operation, was \$1,704. Pulling a group of large related industries out of the dumps by sheer force of open-minded analysis and close, vigorous teamwork is too striking an achievement to be uninteresting to men in any industry.

In September of last year, about a year after the home modernizing movement went into action, its director made a crisp report of progress which included these statements:

"Every dollar subscribed to the Home

City, November 8, 1928. Full page advertisements in two newspapers brought 1,179 inquiries within 30 days. The machinery which had been set up was overloaded and the personnel of the bureau had to be increased.

The big surprise of this response was that many inquiries came from remote places—from Canada, the Atlantic Seaboard towns, California, Oregon, Washington, and from the Gulf States. Here was proof that this home modernizing movement had found the true firing

ing and that nearly one-fourth of the total loans made by all the member associations for that period, were for modernizing.

If all the other financial agencies have done as much in this field it is reasonable to suppose that considerably more than half a billion dollars worth of modernizing has been done in the United States in the last 12 months.

Releases frozen capital

ON ITS economic side, the modernizing of antiquated dwellings is achieving an important result in releasing a vast volume of capital frozen in old houses which are rapidly going down hill and carrying land values with them.

The alert automotive industry is highly conscious of the importance of its "trade in" problem. The real estate industry has the same problem but has made no definite and organized attempt to deal with it. The home modernizing movement, in many instances, is snatching whole neighborhoods from the real estate junk heap and restoring them to their former status of sound investment



They moved the shack on the corner, summoned an architect and, behold, a charming little house and a neighborhood shop resulted

Modernizing Bureau in 1928-1929 is originating \$1,000 worth of new business—a cost of one-tenth of one per cent.

"Fifty dollars in new business for the industry has come from each dollar spent to date by local Home Modernizing Bureaus."

Dealer in modernizing ideas

THE National Bureau, supported by manufacturers of all kinds of building supplies is the inspirational and directing head of the movement. Its work is to organize the building interests in local communities, to provide them with organization plans, working plans, advertising copy and to act as a clearing house for information developed by the experiences of similar organizations in all parts of the country. The "locals" finance their own operations and advertising, employ architects, contact men, estimators and other technical workers. Each bureau is self-supporting and is virtually a corporation selling complete ideas in the modernization of homes.

One of the first big drives against antiquated houses was started in Kansas



PHOTOS COURTESY OF HOME MODERNIZING BUREAU

range on human nature at the first shot.

The early experience of the Topeka bureau brought other surprises. One was the fact that the modernizing jobs, as they developed in actual work, averaged nearly \$2,000 each—a far higher figure than had been expected. Milwaukee, Wis., offers an outstanding example of how the home modernizing movement has applied the pulmotor to the gasping building industries. During May, 1928, alteration permits issued by the building commissioner totaled \$424,004, while in May, 1929, they were \$1,060,000—an increase of 149 per cent.

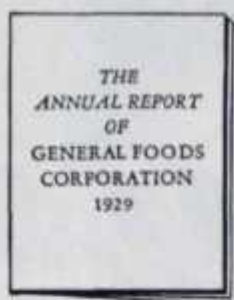
Building and loan associations are sensitive barometers of home construction business. A report recently received from the United States League of Building & Loan Associations shows that for the 12 months ending June 30, 1929, member associations loaned more than 300 million dollars for home moderniz-

values, thus preventing a needless economic loss.

It is pleasant to record that this movement is as good civics as it is smart business. Wherever it has obtained a firm foothold the revival of community spirit has been marked. In human nature, a good appearance is intimately related to self-respect.

Dress a dilapidated and run-down neighborhood in good modern architectural clothes and you do much to restore its value as a self-respecting and progressive community.

Enthusiasm for community progress seems to require at least a moderate degree of self-respect, pride of appearance and freedom from a sense of shame inspired by a shabby physical background. Virtually every neighborhood in which home modernizing has become general has experienced a marked revival of "community spirit."



That the public
may know what 34,000 investors
already know

General Foods Corporation *offers*
this booklet

TO THE majority of the investing public, the facts about General Foods Corporation's rise to its present position in the food industry are only partially known. And so now this company presents, in the form of an amplified annual statement, its history, products, policies, prospects, and earnings.

The practical-minded investor will find the record of earnings especially interesting. It shows that, since 1922,

both the sales and earnings of General Foods Corporation have been enlarged 600%, and important economies in both manufacture and distribution have been effected. In the case of several products, prices have been reduced, and quality has been definitely improved.

These and other equally important facts about this company are stated in the booklet offered here. This booklet will be sent free to any interested person.

Write to General Foods Corporation

Department J

250 Park Avenue · New York City



Maxwell House Coffee and Tea, Log Cabin Syrup, Jell-O, Certo, Post's Bran Flakes, Minute Tapioca, Instant Postum, Hellmann's Mayonnaise Products, Walter Baker's Chocolate and Cocoa, Franklin Baker's Coconut, Calumet Baking Powder, Grape-Nuts, Sanka Coffee, Swans Down Cake Flour, Postum Cereal, Post Toasties, La France, Satina, Diamond Crystal Salt, Post's Whole Bran, Jell-O Ice Cream Powder.

The Plane Makes Poor Men Tourists

By HARRIS M. HANSHUE

President, Western Air Express

ILLUSTRATIONS
BY DON MILLAR



IN 1935, the salaried man on the Atlantic seaboard will be looking forward to his vacation just as eagerly as he does today. But his vacation plans will be radically different.

At present, his time and vacation funds limit him to a certain well-trodden circle. If he lives in New York City, he can go to the Adirondacks, the Maine woods, Canada or northern Michigan—not much farther in two or three weeks. His traveling can be done by rail, boat or his own car.

Five years from now, he will be able to go to the Pacific Coast. The trip will take little more of his time than the ride to Montreal, and will cost him little more money.

There is nothing fanciful in this picture. It is based on facts already realized in air passenger travel in commercial planes. These facts, extended in curves, will show such possibilities right around the corner.

Anybody plotting automobile facts 15 years ago, and extending the curves of price and number of cars to the present, had a picture that nobody would have believed rational. But today the picture has been translated into fact.

The two outstanding facts in commercial air travel today are decreasing costs and increasing speeds.

If an air tour had been made six months ago over the air passenger lines in daily operation in this country the cost would have averaged 11 cents per mile. If the same journey were made today the cost would average 7.8 cents per mile. During that short period air travel rates have come down to the cost level of *de luxe* train travel; in some instances the airplane rates are even lower.

Planes can save more time

FIFTEEN years ago, the "poor man's automobile" was discussed as a theory. Some optimists believed it would be possible—sometime. Today, hardly any man is too poor to afford some kind of car—his chief problem is finding a place to use it.

Airplane transportation is three or

four times as fast as traveling by rail.

Figure time saved, and it is cheaper for a man earning two dollars an hour to fly from New York to San Francisco. That is, the additional cost of the air trip is only \$30 or less and the saving in time is 37 hours. A \$5,000 man gets two dollars an hour.

Five years from now, a vacation trip from the Atlantic to the Pacific should be within the means of the \$3,000 man, and possibly the \$2,000 man. The air speeds will have doubled or tripled, and the fares will have been further reduced.

Big aircraft, as common carriers, will give the masses the same freedom and economy in long-distance travel that the automobile has given them on short trips.

Two years ago, in plotting our curves, we air traffic men would have considered "air-mindedness"—which is a po-

Los Angeles is 12 hours from San Francisco by train; a day by auto; planes make the trip in three hours

Burroughs *Electric* Portable



Adding-subtracting machine illustrated, \$175, delivered U. S. A.; \$205 in Canada. Other electric models as low as \$130; hand models as low as \$60.

Burroughs now adds a complete line of electrically operated Portables to its present popular line of hand operated Portables.

An electric motor, built directly into the mechanism, provides the greater speed and ease of electrical operation without sacrificing any of the compactness that makes Burroughs Portable Machines so convenient for desk and counter use.

For a demonstration of an Electric Portable—or any other Portable—call the local Burroughs office or write to—

BURROUGHS ADDING MACHINE COMPANY
6135 Second Boulevard, Detroit, Michigan



Light in weight—easy to carry from desk to desk

BACKED BY WORLDWIDE BURROUGHS SERVICE

When calling a Burroughs representative please mention Nation's Business



© 1930 Metropolitan Life Insurance Co.

Help the Healthy

More children between five and fifteen are killed by accidents than by diphtheria, scarlet fever, typhoid, appendicitis and measles—combined

MANY of the boys and girls who are killed by accidents are daring, adventurous, fun-loving, bubbling over with high spirits, ready to take chances, heedless of danger.

If children are not provided with proper playgrounds they will play in the streets—where most accidents happen. If they haven't been taught watchfulness on streets and highways, they are in danger every time they leave the house.

Twenty thousand children under 15 were killed last year by accidents—nearly 30 per cent of them by automobiles; the rest by drownings, burns, the careless use of firearms, falls and other causes.

You guard a delicate child instinctively.



Guard the healthy one thoughtfully. Teach him that only he can protect himself against dangers greater than disease.

People who have not learned reasonable caution in childhood are likely to continue to be heedless in later years. Eighty thousand people, 15 years of age or over, were killed by accidents last year. Falls on stairs or from rickety stepladders, chairs, boxes and window sills cause thousands of deaths at home.

Accidents are the sixth greatest cause of death for people of all ages; the first cause of death among children from 5 to 15.

Send for Metropolitan's booklet on accident prevention. Ask for Booklet 530-U. Mailed free upon request.

METROPOLITAN LIFE INSURANCE COMPANY
 FREDERICK H. ECKER, PRESIDENT
 ONE MADISON AVE., NEW YORK, N. Y.

When writing to METROPOLITAN LIFE INSURANCE COMPANY please mention Nation's Business

lite term for freedom from fear of flying. Today, we can disregard that. Demand for air travel is growing faster than facilities can be provided. People are no longer afraid. On the best-patronized routes, they use planes as casually as trains.

One of the railroads between New York and Philadelphia had the phrase, "Every hour, on the hour, your watch is your time table."

Hourly plane schedule

THIS same phrase can now be used for air service between Los Angeles and San Francisco, for the business man has a choice of nine planes each way in ten hours of each business day.

During August, 1928, two commercial aviation lines connected San Francisco and Los Angeles, with capacity for 48 passengers a day. They carried an average of 21 passengers daily. During August, 1929, there were five lines, capacity 168 passengers, and they carried an average of 98 passengers daily. All planes on this route were on schedule to 98 per cent.

Fares today are the same as railroad fare for fast trains with sleeper—\$21.50. The plane fare at the start was \$50, was then cut to \$33 and now parallels the rail fare, \$21.50.

In 1928, air travel between these two cities was one-half of one per cent of the rail travel. In 1929, it rose to two and a half per cent. In another year, it will be between seven and ten per cent. Five years from now, planes may be carrying more passengers than the railroads now carry, because speed will have greatly increased the travel.

Railroad distance between San Francisco and Los Angeles is about 500 miles and the fast trains take 12 hours. Highway distance is about 450 miles, and by hard driving people make it in a day.

But the air distance is only 365 miles, and the present air time is three hours.

Competition on such routes will bring the time down to two hours or less, and fares will come down as speeds go up. Passenger planes capable of 140 miles an hour regular cruising speed are now being built, with 2,000 hours' operating life. They cost \$100,000 and carry 32 passengers. Western Air Express has ordered five of these huge air liners and they are now being placed in service. The company has first call on the next fifteen of these planes to be built. They will carry approximately three times the load capable of being transported by planes heretofore in use and it is estimated they can be operated at one-third increased cost. There is a margin here

in speed, pay load and operation that should justify low travel rates. Still faster planes with cheaper investment per passenger per hour are in sight. So air travel has a margin for improvement which, for distance travel, will soon make all present forms of transportation seem expensive in comparison. If one's time is figured in, few people will be able to afford to travel any other way in two or three years.

We all know that our business organizations have outgrown rail travel. With mergers and branches and national operation, the "key men" in every large business now spend many hours on trains, at the expense of their efficiency and home life.

By air, they will practically taxi between cities like Los Angeles and San Francisco, and a trip from Boston to Seattle will take no more time than the present ride from New York to Chicago

requires, and be far more comfortable.

Will it be safe to travel at such speeds?

More miles in safety

YES, as present air travel is safe, because it is based on sound design and careful operation, so the faster ships will be as safe as those of today. Department of Commerce figures show that one life is now lost in 191,500 miles of civil aviation, against one life for every 172,768 miles of rail travel.

Air travel is growing at a rate that reflects public confidence. People are becoming air-minded much faster than they grew railroad-minded or automobile-minded.

"Will I be comfortable?" is another common question.

Until the spring of 1928, commercial passenger flying was all done in adapted



Because of the magnificent distances in this country, passenger aviation is growing much faster than in Europe

military-type planes. They had cabins, but were not as comfortable as parlor cars. The American public will not travel regularly by any uncomfortable method. Demand for comfort has been met by the present cabin planes designed for passenger traffic. The traveler now sits in a parlor car of the air, has freedom to move about, can read or look out the window, is served with meals, and besides absence of dust and smoke, rides with so little vibration that it is possible to write. Planes are being built with sleeping accommodations that have all the conveniences found in Pullman cars, plus freedom from curves, sudden braking, noise from passing trains, ground echo, stopping and starting, and switching in noisy railroad yards.

"Will I be airsick? How about air pockets and fog?"

Rough traveling avoidable

WHEN a competent passenger pilot travels over a regular route, its characteristics become as familiar to him as your motor route between home and office is to you. Rough traveling is avoided by skilful piloting.

Rough spots in air riding are caused by differences of temperature. A plane, after traveling through cool air and suddenly passing into a warm region, will rise, and in passing from warm to cool air, will drop. That is, it will unless the pilot increases or decreases speed as he sees what's ahead. These differences show up as sunshine and cloud.

About fog. It is because Nature made almost an ideal route between San Francisco and Los Angeles that air travel is increasing there so rapidly. Nature did much—and man has done the rest.

There is fog on this route, but fog means nothing if you can get through



Fog means nothing if you can get through it and aerial weather service now keeps pilots informed as to what is ahead on the route

it. The route is really five separate airways, any of which can be used if there is fog along the others. Combinations can be made of these different routes, so that there is hardly a day when good flying conditions cannot be had. This route has the finest weather service yet developed for aviation, provided through the Daniel Guggenheim Fund, so that pilots know exactly what conditions prevail at all points.

I think the spirit in which all surface transportation systems have welcomed the airplane, making combinations with it for rail, steam and motor-bus travel, are worth mentioning. This was not true of the railroad or the automobile, when they were new. It shows that speed is the big thing in transportation, and that traffic managers with fast facilities in these other systems are keen to add the airplane because speed is what they sell.

One form of surface transportation has not yet been affected—the automobile for short-distance travel. This is because the passenger automobile still has a speed and flexibility for short distances.

It is because we have magnificent distances in this country, compared with Europe, that we are progressing so much faster in commercial passenger aviation without government subsidies.

At present, the greatest development of air travel is on the long journeys. It is on the "hop" of several hundred miles that we need faster transportation most.

Before the advent of the automobile the daily ride on trolley or suburban train and a vacation trip of several hundred miles made up the year's travel for most of us. A thousand-mile trip was for many of us the adventure of our lifetimes.

Now, with our cars, we ride five or ten thousand miles yearly and think nothing of it. Our cities are spreading out, and the country trading centers are changing, as we adapt our affairs to the automobile.

A dozen years ago, had anybody told you that you would ride several hundred miles a month on your ordinary errands, it would have sounded highly unreasonable.

10,000 miles a month

YET in less than a half-dozen years from now, the airplane will have made this country one community, and you



People now use planes as casually as other transportation



HANDS UP!

This payroll thief has never been convicted

ARE YOU being held up by the greatest payroll thief of them all — human hands? Are you one of the many manufacturers whose production is retarded, whose profits are reduced by excessive waste of time and material caused by slow, costly hand operations?

Special Production Machines will build machines for you to eliminate costly hand operations, to speed your production, cut down costs, increase profits — outstrip competition. We have done these very things in a number of plants in diversified industries. In some of these plants our work has included the speeding of existing machinery and re-designing of semi-automatic machinery to make it completely automatic.

We shall be glad to explain to you in detail, the story of Special Production Machines, how it operates, what it has done, and how it can help you. Write to the Special Production Machines Company, Norfolk Downs, Mass.

Special PRODUCTION MACHINES

A Division of PNEUMATIC SCALE CORPORATION, LIMITED

For over 35 years Pneumatic Scale Corporation, Limited has manufactured automatic labor-saving machinery for many of the world's largest producers of merchandises.

INCREASING THE

86 Folder

Printing Multigraph

Lever Compotype

Model 60 Multigraph

Lever Addresser

59 Typesetter

Model 100 Multigraph

58 Folder

Keyboard Compotype

Set-o-type

The

"PAPER PROFITS" TO REDUCE THE OVERHEAD

Savings which the Multigraph makes possible on office forms, in selling costs, in producing process letters for various purposes, in folding, addressing, and in signing dividend or payroll checks are a sort of "paper profits" you can put in the bank. What a Multigraph puts on paper puts cash on the books. Increasing Multigraph production decreases overhead. More than one Multigraph has been installed at the recommendation of executives appointed to strengthen limping organizations by wise economies.

There is a Multigraph unit or combination of units which exactly fits your business requirements. The speedy Printing Multigraph turns out circulars, forms, and imprinted jobs at the rate of thousands an hour. The Addressing Multigraph writes a letter with perfect fill-in and facsimile signature and addresses the envelope all at one revolution of the drum. Auxiliary equipment is provided for typesetting, for embossing plates or blankets, and for folding.

Write for check-list guide, "33 Ways in Which Money is being Made or Saved by Multigraph Equipment"—or get in touch with a Multigraph representative through the Multigraph office listed in your telephone directory.

AMERICAN MULTIGRAPH SALES COMPANY
1806 EAST 40TH STREET CLEVELAND, OHIO

The Multigraph Sales Company, Limited, 137 Wellington St., W., Toronto, Ontario

DO YOU KNOW YOUR MARKET?

We have developed Multigraph equipment to meet the special requirements of today's conditions which put a premium on selective selling.



American Multigraph Sales Co.,
1806 East 40th Street,
Cleveland, Ohio.

Please send me a copy of your new guide
to Multigraph applications, "33 Ways."

Name
Business
Address

MULTIGRAPH *Line*

will the leaders point the way...?

Addressed to the 300,000 executives
who read "Nation's Business"

EVERY seventeen minutes a life is lost thru traffic accidents—not to mention lesser injuries or property damage resulting from the same cause. In view of these facts, no one can deny the statement that traffic safety (or the lack of it) has become a major problem—a problem which every man who regards himself as a leader may well assume a part in solving.

Traffic safety is largely a matter of braking. And the efficiency of braking depends directly on the brake lining that is used. Imagine the difference if *every* car, *every* bus, *every* commercial vehicle were equipped with the *best* brake lining.

Many men are content to have their brakes relined without even inquiring as to what lining is to be used. Is that right, considering the importance of the matter? And if it isn't right, how can the situation

be improved unless the leaders of the community will, at least as far as their own cars and vehicles are concerned, see to it that the best lining is used?

That is why this advertisement is addressed to *you*.

We do not ask you to specify Ferodo Linings. All we ask is that you make up your mind as to what lining is best and then specify that lining. Naturally, we believe our product to be superior; we try with all our might to make it so, and naturally we think we are succeeding. But as to whether we are right in this or not, we are quite content to rest on *your* judgment. You have reached your position in the community because you do possess judgment. All we are asking is that you exercise that judgment, and that you do not let a matter of such paramount importance go by default.

FERODO AND ASBESTOS INCORPORATED

Manufacturers of Ferodo Bonded Asbestos Brake Lining in rolls,
Ferodo Pat. Die-Pressed Brake Segments, and Ferodo M-R Linings.

Factory and General Offices: New Brunswick, New Jersey N-5-09



When writing to FERODO AND ASBESTOS INCORPORATED please mention Nation's Business

will ride a thousand miles to keep appointments, where you now ride fifty, and ten thousand miles a month will be covered on your every-day errands.

Let me make this prospect real with a few figures:

Today, our railroads carry 800 million passengers yearly, some 35 billion miles. Most of that is commuting, however—the average railroad trip is only about 40 miles.

Between three and four million passengers travel more than 200 miles.

Probably half the distance travelers are "repeaters," going on necessary errands, and if these are eliminated, there may be no more than one million passengers yearly who board trains to travel to see new places and people.

So less than one of us in every hundred is really a traveler in the true sense of the word. Nationally, we are where the automobile found us locally—stay-at-homes around the town pump.

There are folks earning average salaries who do manage to make vacation tours from the Atlantic to the Pacific Coast, but they have to plan several years ahead, and save money, and ask the boss to take a little out of next year's vacation to make it possible. Such a trip marks you as exceptionally industrious and far-sighted.

We all want to travel

YET we all want to see the Atlantic or Pacific Coasts and other distant regions. We want to travel.

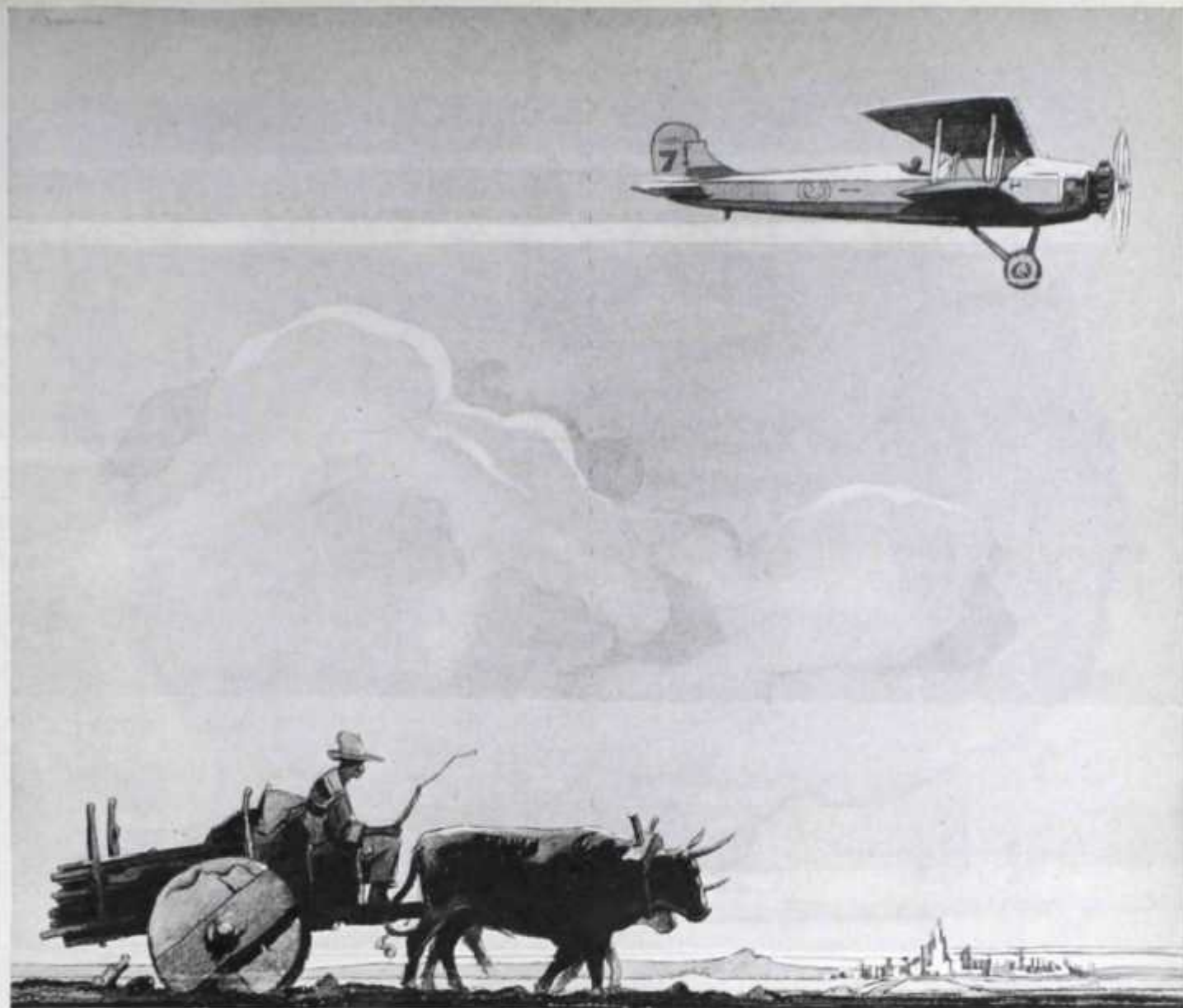
It is the cost and the time that keep us home, and now the airplane is here to cut down those hindrances.

Within five years we can expect to travel at double and triple the time of present air journeys—that is, at 200 to 300 miles an hour. And we can expect that as the speeds go up, the fare will come down in some such ratio as triple speed, one-third fares.

We will be able to step into a night plane in New York and have breakfast coming into San Francisco. The fare will be no more than that between New York and Chicago, and probably less.

The public already senses this, as is shown by the fact that commercial air travel in the West is already increasing at a rate faster than air mail, if the "bulges" due to lowering of air postage are eliminated.

That is the picture. I leave it with you. By 1935 you will be using this new form of transportation as casually as you now use your car. More than that, with a nation of 135 million taking to air travel, you may quite possibly be part of the industry.



"To save time is to lengthen life—"

"ACCELERATION, rather than structural change, is the key to an understanding of our recent economic developments."

—FROM THE REPORT OF PRESIDENT HOOVER'S COMMITTEE ON RECENT ECONOMIC CHANGES

THE PLOD of the ox-cart. The jog trot of the horse and buggy. The rush of the high-powered motor car. The zoom of the airplane. Acceleration. *Faster* speed all the time.

Speed and more speed in production, transportation, communication, and as a result, more wealth, more happiness, and yes, more leisure for us all.

Scientific research has been the pacemaker of this faster, yet more leisurely, existence. At a steadily

increasing rate it is giving us hundreds of inventions and improvements which speed up work, save time and money, revolutionize life and labor in the modern age.

Conceive how much time modern electric lighting has saved the American people—not to mention the billion dollars a year in lighting bills saved by the repeatedly improved efficiency of the MAZDA lamp. Think of the extraordinary democratization of entertainment and education made possible by the radio tube!

Both these benefits to the public owe much to the steady flow of discovery and invention from General Electric laboratories. So do the x-ray and cathode-ray tubes, the calorizing of steel, atomic-hydrogen welding, the generation of power for home and industry at steadily lower costs.

The G-E monogram is a symbol of research. Every product bearing this monogram represents to-day and will represent to-morrow the highest standard of electrical correctness and dependability.

JOIN US IN THE GENERAL ELECTRIC HOUR, BROADCAST EVERY SATURDAY EVENING ON A NATION-WIDE N.B.C. NETWORK

GENERAL ELECTRIC

The Map of the Nation's Business

By FRANK GREENE

Managing Editor, Bradstreet's



Business conditions
as of April 1

MARCH displayed its traditionally fickle rôle as to weather this spring. It saw, in addition, a series of cross currents in trade and industry difficult to describe. The weather was concededly cold enough to hold back retail trade development even had not employment conditions and the late date of Easter offered sufficient retarding elements.

Conservative buying from wholesalers and jobbers was evident throughout the month. Also the species of "secondary reaction" visible in steel buying and production, a good part of which was charged to the automobile industry's hesitation in buying, tended to create some doubts as to the future of trade and industry generally.

On the other hand, the stock market saw considerable activity at advancing prices; money and credit conditions displayed considerable ease, although col-

BUSINESS presented a mixed appearance during March and early April. Unfavorable weather and the late date of Easter retarded retail trade, but the stock market evidenced greater activity, money rates were easier, and cotton and wheat prices showed definite improvement

lections improved only slightly; and there became visible a turn upward in prices of cotton and wheat, the former based on talk of reduced planting; the latter, on dry weather Southwest and Northwest; and some gain in export and milling demand.

Damaging frosts took toll of southern truck crops and both old and new crop potatoes showed remarkable strength. Indeed, so notable was the strength of many staple commodities as to lead to talk of the six-months' decline in prices having pretty well exhausted

the bearish features in this direction.

On balance, it may be said that trade and some of the industries made some progress. Irregularity of comparisons with a year ago, however, when Easter was nearly three weeks earlier, prevented an exact measure of the net results of the month's operations. Despite this, there remained little doubt that the

first quarter of 1930, like the last quarter of 1929, had fallen well behind the like periods of the preceding years in many respects. The length of time elapsing since the debacle of last autumn; the passing of the closed winter season; the advent of spring; and the stirrings of new life in construction and in farm operations gave a more hopeful tinge to expectations as to the future, and earlier deferred hopes seemed to quicken as the business world entered the second quarter of the year.

In financial lines, as already stated,



BAKELITE SURVEYS A NATION'S INDUSTRIES



BUILDING

Recent developments in building design merely mark the dawn of a new era. Engineers are providing equipment, and creative chemistry is supplying materials, unthought of but a few years ago. Architects have welcomed these new products, and have been quick to utilize them.

Of radically new structural and decorative materials alone there are a score in use today. Probably none of these is more successful in meeting a wide variety of needs than those which bear the name "Bakelite". A few of the items of equipment formed of hard, lustrous, stainless and

colorful Bakelite Molded, are lighting fixtures, switch plates, door knobs, sanitary fittings, floor plates, and wall tiles.

Equally valuable is Bakelite Laminated, a light weight, hard, strong, lustrous material made in plain colors, and in faithful reproductions of various hardwoods and rare marbles. It is used to obtain strikingly modern effects in paneling, store fronts, partitions, dresser tops, drain and splash boards and window sills. Architects, decorators, builders and others interested are invited to write for information.

NEXT MONTH SPORTING GOODS INDUSTRY

The Story of Bakelite. This outstanding romance of industry is of absorbing interest. It is told in an industrial motion picture film showing the various stages in the manufacture of Bakelite, and the fabrication of finished products. A two reel print on standard width non-inflammable stock will be loaned free of charge.

BAKELITE CORPORATION

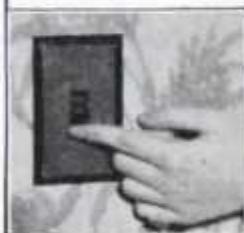
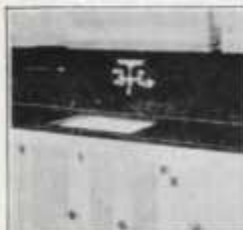
247 Park Avenue, New York, N. Y. Chicago Office: 635 W. 22nd Street
BAKELITE CORP. OF CANADA, LTD., 163 Dufferin Street, Toronto, Ont.

BAKELITE

The registered Trade Mark and Symbol design may be used only on products made from materials manufactured by Bakelite Corporation. Under the copyright "B" is the accepted sign for Bakelite as defined by the International Union of Pure and Applied Chemistry. It is a trademark of Bakelite Corporation.

THE MATERIAL OF A THOUSAND USES

When writing to BAKELITE CORPORATION please mention Nation's Business



the stock market saw continued, with added emphasis, the improvement in operations visible in earlier months. In addition the bond market saw a vigorous upward movement in prices. This was a hopeful augury because of the large volume of flotations which are inevitable when big public enterprises involving construction are to be put through.

Then, too, the volume of federal income tax payments garnered in the middle of the month rather exceeded official expectations, which were apparently keyed upon the idea that the break in the stock market and the one per cent reduction in the tax rate would greatly reduce receipts. Imports of gold were heavy but the volume of money in circulation, some of this possibly reflecting reduced pay rolls, fell off, as did also the volume of commercial loans at New York, this latter despite a drop in prime paper rates from 4.5 and 4.75 early to 3.75 and four per cent late in the month.

Greater activity in March

THE statistical measures coming to hand at this writing, as already indicated, portray rather slack conditions ruling throughout the first quarter. Coupled with these, however, were more hopeful signs witnessed in some measures of movement in the third month. Bank clearings and bank debits in March pointed to greater activity in March than in February or January. March totals at all cities exceeded those of both February and January. Decreases of 17.7 per cent in clearings and 22.4 per cent in debits in March compared with declines of 22.4 and 24.8 per cent respectively in February and of 22.2 and 25.4 per cent respectively in January from like months of 1929. For the first quarter, clearings decreased 20.8 and debits 24.2 per cent from a year ago.

Stock-market sales were 22.7 per cent off from the first quarter of 1929, whereas bond sales were 17.7 per cent larger.

March failures were fewer than in either January or February, which is normal, but were 22.7 per cent heavier than in March 1929. Liabilities were over double those of March last. For the first three months, failures ex-

ceeded those of a year ago by 17.6 per cent and liabilities were 50 per cent larger. March and the first quarter's failures were the largest for those periods since 1922, while liabilities for the month were only exceeded in 1927. For the quarter, however, the latter were exceeded in 1927, 1924 and 1922. Bank, building and contractors' suspensions swelled liabilities heavily in March.

The April 1 Price Index, the sixth to show a decline since October 1, dropped only three-tenths of one per cent from March 1. It was 13 per cent below April 1, 1929 and 22.3 per cent below December 1, 1925, the high point since the deflation of 1920. However, it was still 5.3 per cent above the low point since the deflation, touched on June 1, 1921.

The drop from the peak point of February 1, 1920 was 46.4 per cent, while the rise from August 1, 1914 was 28.4 per cent. The April 1 Index Number is, in fact, the lowest recorded since September 1, 1921. This low level, plus the small changes visible in movements in March in the various groups,

has seemed to give weight to the idea, fostered, of course, by the rallies in wheat and cotton, that the decline, for the present at least, has about run its course.

One of the least favorable features in some respects is the exhibit of car loadings which, for four weeks of March, showed a decline of 8.2 per cent as against a drop of 6.9 per cent in February and 6.2 per cent in January. A year ago loadings rose 1.1 per cent in March, 4.9 per cent in February and 3.5 per cent in January. In March, except for slight increases in coke and live stock in one or two weeks, every group of loadings fell off in every week from like periods of 1929.

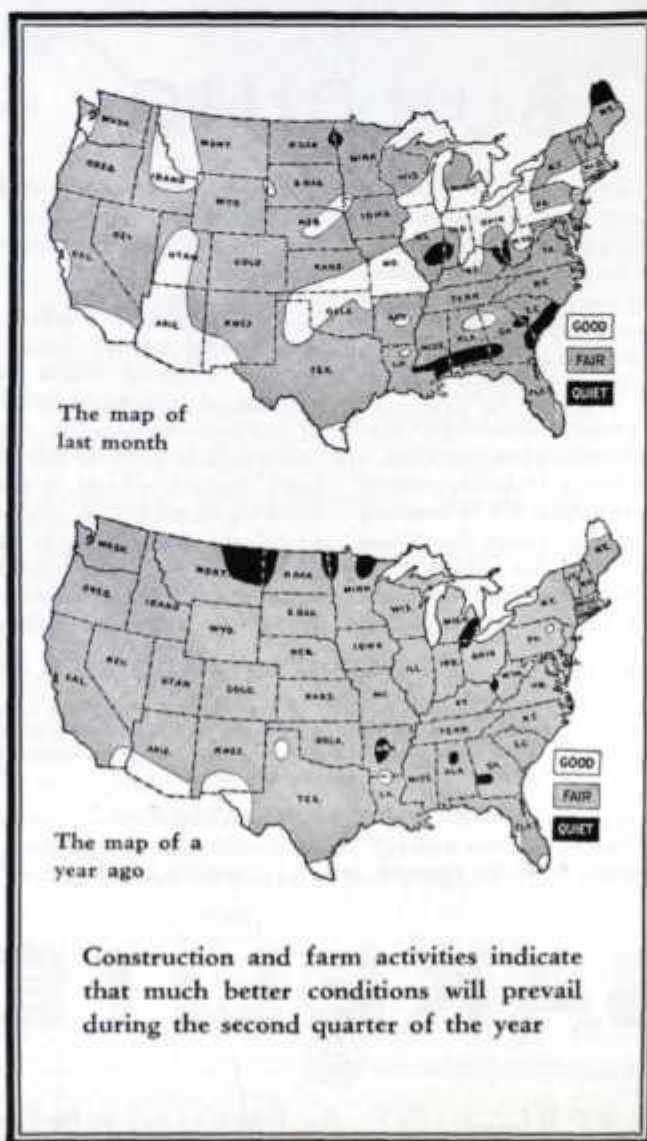
Current loadings are the smallest since 1922. Predictions by shippers' advisory boards are that freight-car loadings will fall 4.2 per cent from a year ago in the second quarter.

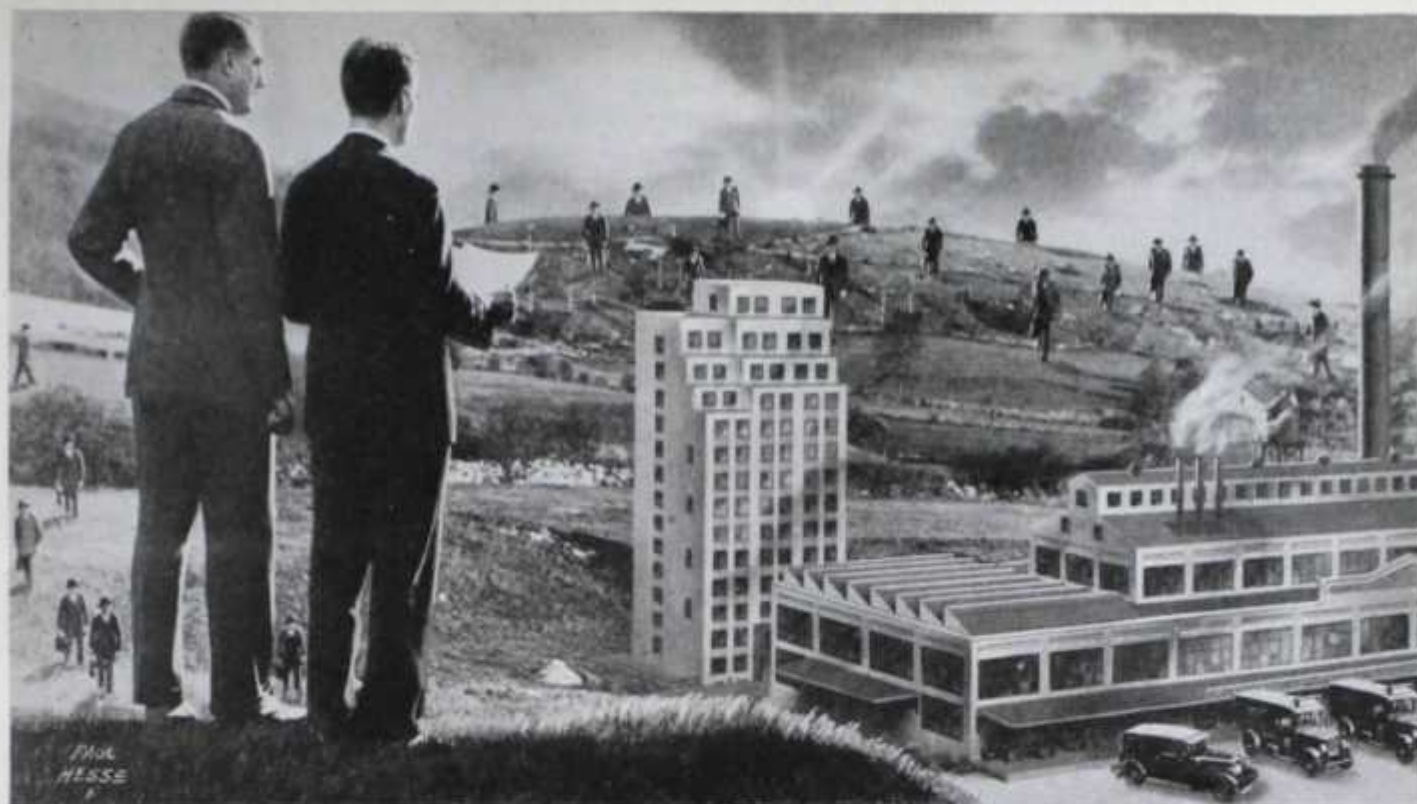
Pig-iron production's daily average in March gained three per cent over February and set the highest daily average since November 1929 although 12.8 per cent below that of last March. The decrease for the first quarter was 14 per

cent. Daily steel-ingot output for March was 2.6 per cent below that of February and 15 per cent behind March a year ago, while for three months of the year it is 12.4 per cent below the peak of the 1929 output and 3 per cent below that of 1928.

Pipe orders huge

SOME of the features of trade and industry in March deserving note were the immense orders for steel pipe for oil and gas lines, mainly in the Southwest (one pipe works ran 24 hours a day); the easing off in prices of finished steel, the Iron Age Index for those products being the lowest since August 1922; the starting up of brick yards in the Hudson Valley, and the check in the steady decline in cotton-goods prices in the first three months of the year, administered by the 2.5-cent rally in raw cotton from March 10 to March 31. The falling off of automobile takings of steel was one reason assigned for the lowering of steel capacity in late February and early March, while the slight upward trend in late March and early April was





All your business at a glance

A CLEAR, simple record of each phase of your business operations placed before you every morning. Summarized figures that show an exact picture of current conditions at a glance.

That is precisely what Elliott-Fisher Accounting Writing Equipment is doing today for hundreds of business executives.

A daily check

These men have a daily check on sales, accounts payable, inventories, cash, accounts receivable, etc. They do not rely on monthly reports that soon grow stale. They

do not depend entirely on the observations of department heads. They see for themselves how things are going . . . what calls for instant action . . . what needs careful watching. They operate their businesses with complete control.

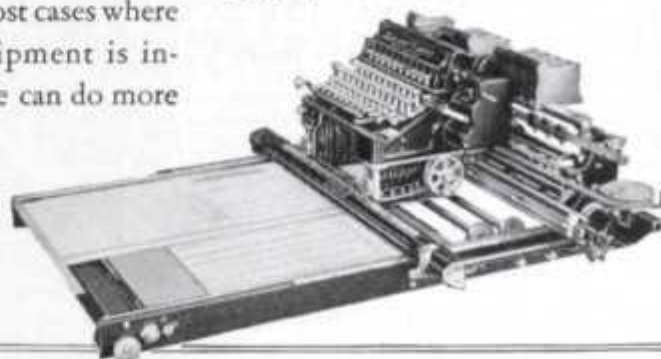
More work from force

Nor have payroll additions been necessary to obtain such results. The fact is that in most cases where Elliott-Fisher Equipment is installed, fewer people can do more

work. Besides, Elliott-Fisher does not disturb the existing routine. It coordinates accounting records into a single unified plan.

We should like to tell you about the part that Elliott-Fisher fact-finding machinery plays in the successful management of many well-known firms. Let us send you full information. Use the coupon below.

The Elliott-Fisher flat surface accounting-writing machine



Elliott-Fisher

Flat Surface Accounting-Writing Machines

GENERAL OFFICE EQUIPMENT CORPORATION

Division of Underwood Elliott Fisher Company

342 Madison Avenue, New York City

"Underwood, Elliott-Fisher, Sundstrand, Speed the World's Business"

General Office Equipment Corporation

342 Madison Avenue, New York City

Gentlemen: Kindly tell me how Elliott-Fisher can give me closer control of my business.

Name _____

Address _____

attributed to this industry's reentry into the market. Automobile output for the first quarter promised a decrease of 30 per cent from a year ago, but the total will probably differ little from the 1928 output for the like period.

Mail and chain sales decline

COMBINED reports from mail-order and chain stores for March indicate a decrease of 10 per cent from a year ago. For the first quarter a gain of a fraction of one per cent is probable. The larger part of the March decrease is explained by the later date of Easter this year.

The shrinkage of 20 and 23 per cent

respectively in the country's export and import trade in February was chargeable, according to Department of Commerce returns, to decreases in all the great groups into which this exhibit is divided. Crude food-stuffs led in percentage of decrease in exports, with a 45 per cent decline from a year ago.

Exports of crude raw materials fell 26 per cent, semimanufactured goods 25 per cent, and manufactured foods and other finished manufactures 15 and 16 per cent respectively. Reduced exports of foods, including grains, and of cotton and cotton goods accounted for less than half of the quantitative loss of \$91,000,000 in domestic exports in February from a year ago. For eight months,

however, these products accounted for about two-thirds of the total loss of \$300,000,000. Cereal exports for eight months were only 74 per cent of the exports of the preceding year and 57 per cent of those of two years ago. Imports of manufactured foods for February fell 44 per cent from last year, crude raw materials 28 per cent, crude foods 21 per cent, and finished and semi-finished manufactures 14 and 15 per cent respectively.

Where prices show gain

RAW-WOOL consumption in February fell 20 per cent from that of February a year ago, while the decrease for two months was 19.7 per cent.

The long predicted rally in wheat prices developed about the middle of March and carried well into April, with gains of 7 to 12 cents in futures and advances of six to ten cents in cash grain. Prices on April 3 were little different from those ruling on March 1, however. With the official returns of farm stocks and those at interior mills now available, plus the *Bradstreet's* visible supply returns, it is possible to throw some interesting light on the matter of total supplies available on March 1 in this and the preceding three years. Quantities in bushels (five ciphers omitted):

March 1	Bradstreet's Visible	Farm Stocks	Interior Mills	Totals
1930	165.1	129.1	95.9	390.2
1929	130.0	151.3	82.4	363.8
1928	77.9	130.9	75.4	284.3
1927	61.2	130.2	85.9	277.4

First and foremost here is the increase shown in all stocks over all recent years, next the fact that for the first time visible and interior mill stocks broke all records since the war, and, finally, that farm stocks are smaller than a year ago and that they are not in excess, as generally, of the "visible" stocks.

One conclusion is that the farmer has relieved himself of a good deal of wheat which he has passed on either to outside speculators or to his kind Uncle Sam. Quotations of leading grades of cash wheat at three markets, at the low and high points of 1929 and subsequently, show the net effects on prices of the past ten months' operations:

	Low May 31 1929	High July 29 1929	Low Mar. 15 1930	High Apr. 4 1930
Kansas City	\$.89	\$ 1.31	\$.94	\$ 1.03
Chicago	.98	1.42	1.02	1.12½
Minneapolis	.94	1.47	1.01½	1.09½

The average of future prices at three leading American and Canadian markets, Chicago, Minneapolis and Winnipeg, on April 4 was five per cent below that of a year ago.

Business Indicators

Latest month of 1930 and the same month of 1929 and 1928
compared with the same month of 1927

	Latest Month Available	Same Month 1927=100%	1930	1929	1928
Production and Mill Consumption					
Pig Iron	March	93	107	92	
Steel Ingots	March	98	116	99	
Copper—Mine (U. S.)	February	86	122	94	
Zinc—Primary	March	84	98	99	
Coal—Bituminous	March*	62	68	75	
Petroleum	March*	104	109	99	
Electrical Energy	February	124	120	107	
Cotton Consumption	February	83	101	97	
Automobiles	March*	103	158	107	
Rubber Tires	January	92	130	108	
Cement—Portland	February	111	116	115	
Construction					
Contracts Awarded—36 States—Dollar Values	March	76	81	96	
Contracts Awarded—36 States—Square Feet	March	64	93	102	
Labor					
Factory Employment (U. S.)—F. R. B.	February	93	100	96	
Factory Pay Roll (U. S.)—F. R. B.	February	93	103	96	
Wages—Per Capita (N. Y.)	February	100	102	99	
Transportation					
Freight Car Loadings	March*	88	94	95	
Gross Operating Revenues	February	91	101	97	
Net Operating Income	February	86	122	100	
Trade—Domestic					
Bank Debts—New York City	March*	115	161	130	
Bank Debts—Outside	(X) March*	101	111	105	
Business Failures—Number	March	110	93	104	
Business Failures—Liabilities	March	98	63	95	
Department Stores Sales—F. R. B.	February	100	102	104	
Five and Ten Cent Store Sales—4 Chains	March	119	130	114	
Mail Order House Sales—2 Houses	March	117	130	102	
Trade—Foreign					
Exports	February	94	119	100	
Imports	February	94	119	113	
Finance					
Stock Prices—30 Industrials	March	173	194	127	
Stock Prices—20 Railroads	March	121	121	109	
Number of Shares Traded	March	201	238	172	
Bond Prices—40 Bonds	March	98	98	103	
Value of Bonds Sold	March	98	60	89	
New Corporate Capital Issues—Domestic	March	179	206	148	
Interest Rates—Commercial Paper, 4-6 months	March	103	142	104	
Wholesale Prices					
U. S. Bureau of Labor Statistics	February	96	101	101	
Bradstreet's	March	90	103	107	
Fisher's	March	98	106	105	
Retail Purchasing Power, July 1914=100%					
Purchasing Power of the Retail Dollar		63	62	62	
Purchasing Power of the Clothing Dollar		61	59	59	
Purchasing Power of the Food Dollar		65	65	66	
Purchasing Power of the Rent Dollar		63	63	61	

X Excludes Boston, Cleveland, Chicago, Los Angeles, Phila., Detroit, San Fran., and New York.

* Preliminary.

Prepared for *Nation's Business* by General Statistical Division, Western Electric Co.

CLEVELAND'S NEW SKY LINE IS J-M ROOFED



Only skilled application of the right materials will produce a good roof

Every Johns-Manville Roof is applied by an Approved Roofer selected because he has the necessary skill

The owners of these buildings in Cleveland wanted, as you do, roofs that once laid can be forgotten. Such is the assurance that Johns-Manville—together with your own local J-M Roofer—offers you.

Whether for re-roofing, or for a new structure, we believe you will be interested in our method of ending roofing expense. Johns-Manville, one of the world's leading producers of roofing, makes and guarantees the materials which will be used for your roof.

But equally important, your local, authorized J-M Roofer applies these materials in accordance with methods proved correct by years of experience. He sees that flashings, the main danger point, are properly applied, that the asphalt is spread evenly, that the felts are carefully laid. And to help him, a Johns-Manville Roofing Inspector checks each important step of the job as it goes along. When the right materials have been laid by real experts, Johns-Manville and the National Surety Company will guarantee the

roof for an agreed upon term of years.

Here is complete protection. You deal with a local business man, a business neighbor of yours chosen to work with Johns-Manville because of his proved reliability. The men he selects apply correctly materials made by a manufacturer of nation-wide standing. Then careful inspection, and in addition—a bond in writing backed by a powerful surety company.

Why Asbestos Roofs?

Whenever the building is a substantial property we recommend a J-M Built-up Asbestos Roof. True we make, and bond, other types of roofs, yet the J-M Asbestos Roof has special merits. It will shut fire out. It is a superior roof which we recommend for all better work.

We make more than twenty types of roofs. These provide a range of choice which covers every roofing requirement, including special roofs for buildings devoted to various industrial processes. We recommend the roof which, all things considered, is most suitable for the structure to be roofed. Many building owners

Johns-Manville
BONDED BUILT-UP ROOFS



This trade-mark is the stamp of quality on heat insulations; brake linings, acoustical materials, packings, insulating board and other widely used products.



say that our suggestions have saved them large sums in maintenance expense.

Look at Your Roof with a J-M Expert

Go up on the roof with one of our inspectors or your local J-M Roofer. His experienced eye may discover repairs costing a few dollars that will save losses of many thousands. Delay may be costly. It will pay you to get facts about your property from an expert. An inspection will cost you nothing. Or let us advise you, without obligation, about roofing any new building.

Address **JOHNS-MANVILLE**

At nearest office listed below

New York San Francisco Chicago Toronto Cleveland
(Offices in all large cities)

☐ Send free copy of "Bonded Built-up Asbestos Roofs."

☐ How may I arrange for a free inspection of my roof?

Name..... BU-43-5

Address.....



Tourists from the modern hotels visit the ruins of the Harmony Borax Works

Death Valley Has Come to Life

By R. C. HENDERSON

● Do you picture Death Valley as a place of terrific heat and torturing thirst? Well it isn't as bad as you may think

ON the face of it, the commercial possibilities of the Death Valley country would seem to be small and precarious. In summer this great glittering sink of southeastern California lies like a spectacular inferno hemmed in by lofty mountain ranges in the middle of a vast desert. The valley is about 150 miles long, from ten to 35 miles wide and more than 300 feet below sea level. Quite generally it has been regarded as a region of perpetually menacing heat where torturing thirst and baleful death await the traveler at every turn and where only rain-bow-chasing prospectors have the temerity to venture.

Borax, yes. But the twenty-



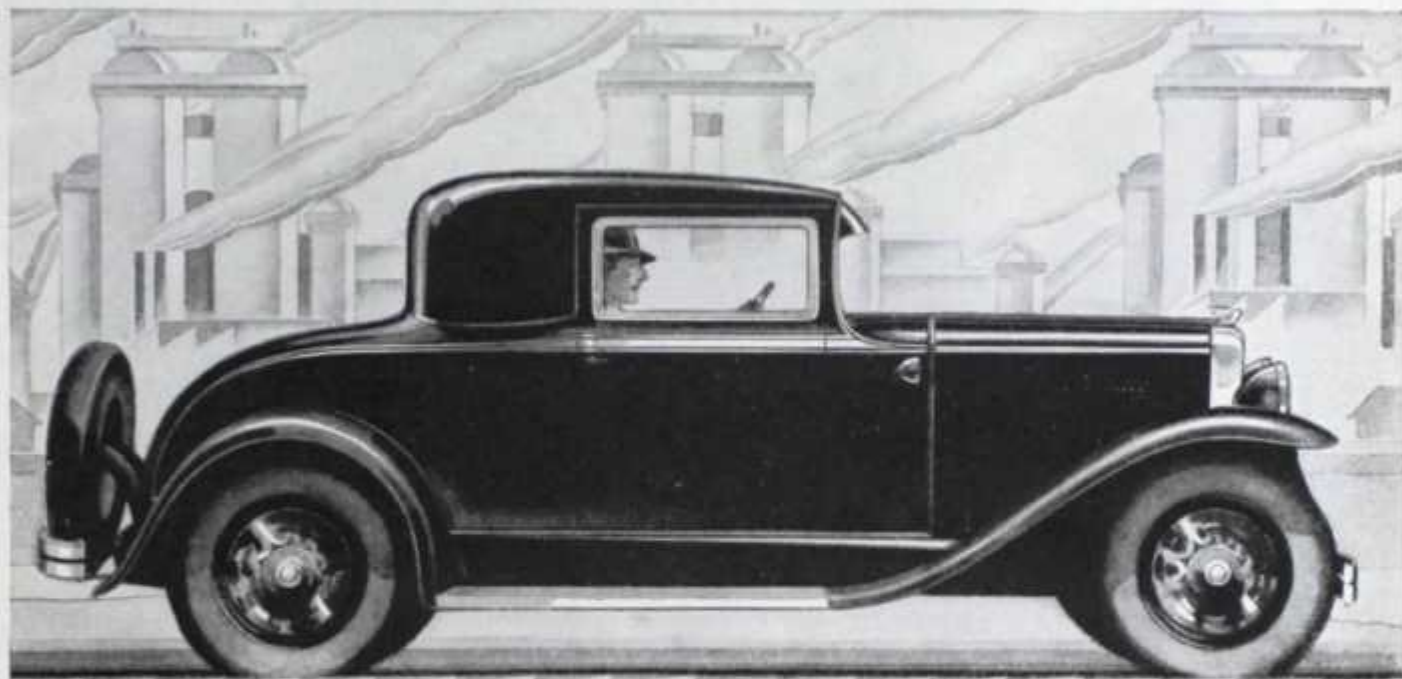
This narrow gauge railroad makes sightseeing easy and is kept busy in the winter season

mule teams of the famous trade-mark left the old trails some 30 years ago and there seems to be a hazy popular notion that the great wealth of borax vanished along with the mules. Recently, however, Death Valley has been opened to tourists as a winter playground, with a new rail and bus line and a small resort hotel. The myths about its perpetual deadliness have been largely exploded, and a more intelligent notion of its character and resources is being disseminated. For, though it holds the world's high temperature record with an official score of 137 in the shade, the Valley does not sizzle the seasons round as many people have imagined. Its winter climate is delightful and its scenery has a majestic beauty all its own.

Development of the region has hinged on a few unusual assets and has required the solving of some exceptional prob-

After three years'
experience this firm* says:

*"...its cost per mile is less than for any other make
or type of car..."*



PONTIAC BIG SIX

Product of General Motors

The Coupe, Body by Fisher

Three years ago, an eastern manufacturing company began using Pontiac Sixes in its fleet of salesmen's automobiles.

Today, this firm operates 44 Pontiac Sixes in its sales department and has standardized on this make. A recent letter says, in part:

"From the standpoint of cost of operation, our experience with the Pontiac is that its cost per mile is less than for any other make or type of car. For the year 1929, we have just completed our accounting on the subject of automobile cost, and it shows exactly four cents per mile for cost of operation. This includes all gasoline, oil, repairs, tires, insurance and depreciation.

"For many years . . . we had tried every conceivable make and type of car but with no other have we had the same satisfactory results."

Scores of business institutions are enjoying like success with Pontiac, because it offers so many features which contribute to low transportation costs. It has long-lived, wood-and-steel bodies by Fisher. Its 60-horsepower engine, being of the moderate-speed type, makes fewer revolutions per mile, which means less friction and less wear for vital parts. Full pressure lubrication makes efficient oiling a certainty. Crankcase ventilation prevents dilution of the oil by water vapor. The Harmonic Balancer counteracts torsional crankshaft vibration. And there are countless other examples.

Executives who are interested in receiving complete details about today's Pontiac are invited to write the Fleet Department at the factory. We will also send our Fleet Owners' Plan and, if you request it, arrange with the nearest Oakland-Pontiac dealer for a demonstration. OAKLAND MOTOR CAR COMPANY, PONTIAC, MICHIGAN

* Name on request

\$745

AND UP, F. O. B. PONTIAC, MICH. A FAMOUS NAME, A FINER CAR



TRAINED MEN GO FARTHER



SHOULDER to shoulder with industrial and business management, the International Correspondence Schools are training men for greater efficiency. Training them to do a better job *where they are*—and qualifying them for consistent promotion in the line of their employment.

Studying at night and during their spare time with this biggest of all educational institutions, one hundred and eighty thousand men are learning to be better salesmen, better mechanics, better executives—accountants—draftsmen—engineers.

Through I. C. S. instruction they are becoming worth more, to their employers and to themselves.

There is a growing appreciation of the value of employee training among far-sighted corporations. Instead of hiring skilled workers away from other firms, business management today is developing them *inside* the organization.

Personnel directors have been taking untrained men, studying their aptitudes, gauging their character, and training them for more responsible positions. The consequence invariably has been to increase efficiency and loyalty.

In line with this advance, great industrial and commercial corporations the country over have asked the International Correspondence Schools to help them select and train the right men. For these groups of employees special courses are arranged, combining the advantages of systematic shop work with chosen courses of study.

Today there are more than 2700 companies co-operating with the I. C. S. in this practical plan of vocational training. Among them are 335 railroads in the United States and Canada, and hundreds of industrial organizations, including large motor companies, steel works, electric plants, public utilities, coal and oil

companies, and chain store systems. A number of these concerns have a thousand men or more enrolled for I. C. S. instruction.

Over 2100 separate lesson units make possible flexible programs of training, adaptable to the exact needs of any business. And the International Correspondence Schools' system provides a variety of teaching methods, ranging from individual home study to supervised classroom instruction in the plant.

Whether a student enrolls through his employer or on his own initiative, it is the policy of the I. C. S. wherever possible to help him choose a course along the line of his daily work—to train him on the job—for the job.

We have prepared a booklet, "The Business of Building Men," containing further details of employee training under the I. C. S. plan. We shall be glad to send you a copy on request.

INTERNATIONAL CORRESPONDENCE SCHOOLS

FOUNDED 1891
SCRANTON, PENNSYLVANIA

MEMBER, NATIONAL
HOME STUDY COUNCIL

When writing to INTERNATIONAL CORRESPONDENCE SCHOOLS please mention Nation's Business

lems. Death Valley has a weirdly romantic history. It is the epitome of the desert, a remote, spectacular spot with an adventurous appeal to a generation peculiarly bent on adventure. It has varied and unexplored mineral wealth, including apparently inexhaustible deposits of borax. The thoroughness with which it has exploited the borax and the scenery should provide an object lesson for communities more generously endowed with a variety of resources.

Provides the world's borax

DEATH VALLEY has long provided most of the world's supply of borax, a commodity for which there is a steadily increasing market. Now the Pacific Coast Borax Company, which controls the mines of the region, is extending the use of borax through advertising its sanitary and curative properties. Borax is also being used in making glass, china and fireproof material. The company is now working to facilitate its production and exportation through better conditions for workmen and extended freighting service. The advent of tourists will aid both these factors as well as advertise the company in a general way.

The very difficulties of the region seem to have spurred on its material

development. It is a challenging last frontier where men are pitting themselves against uncongenial forces. It presents the old drama of man against Nature in a kind of melodramatic, motion-picture setting.

A few years ago I visited the Valley and found some of the business men connected with it a bit touchy about any publicity which emphasized the extreme summer heat. Now business interests are exploiting this very climatic distinction in their bid for tourists. They are admitting that the Valley is a white furnace in midsummer but they are advertising its winter charms.

The contrast appeals to visitors, who can ride around a comfortable bus tour and visualize the tragic possibilities for a victim trapped in the blazing desolation of the hot season. Before the rainbow-colored backdrop of the painted Panamints even the meager imagination may recreate the spectacle of pioneer adventures, may feel itself on the edge of a breath-taking abyss.

Less than 80 years ago the party of 50 gold seekers perished here from heat and thirst, giving the Valley its sinister name. There are a good many unnamed graves bearing only the cryptic record, "He ran out of water." Seasoned travelers are finding fresh thrills in the

spectacular solitude, in the gruesome scantiness of its pioneer history and in the matchless colors of its mountains and sunsets. Some interesting agricultural experiments are being made at Furnace Creek Ranch, the only irrigated land entirely within the Valley.

A narrow-gauge road and a regulation branch line take the place of the old mule-team trails and have hauled out an annual output of about 120,000 tons. Tourists interested in the mining operations may reach the mines by the Borax Baby Gauge which travels through tunnels to the chutes above the narrow gauge freight cars.

"Yes, it is hot and dry and isolated," the desert-burned inhabitants tell you, "but just look what we're doing, in spite of all that."

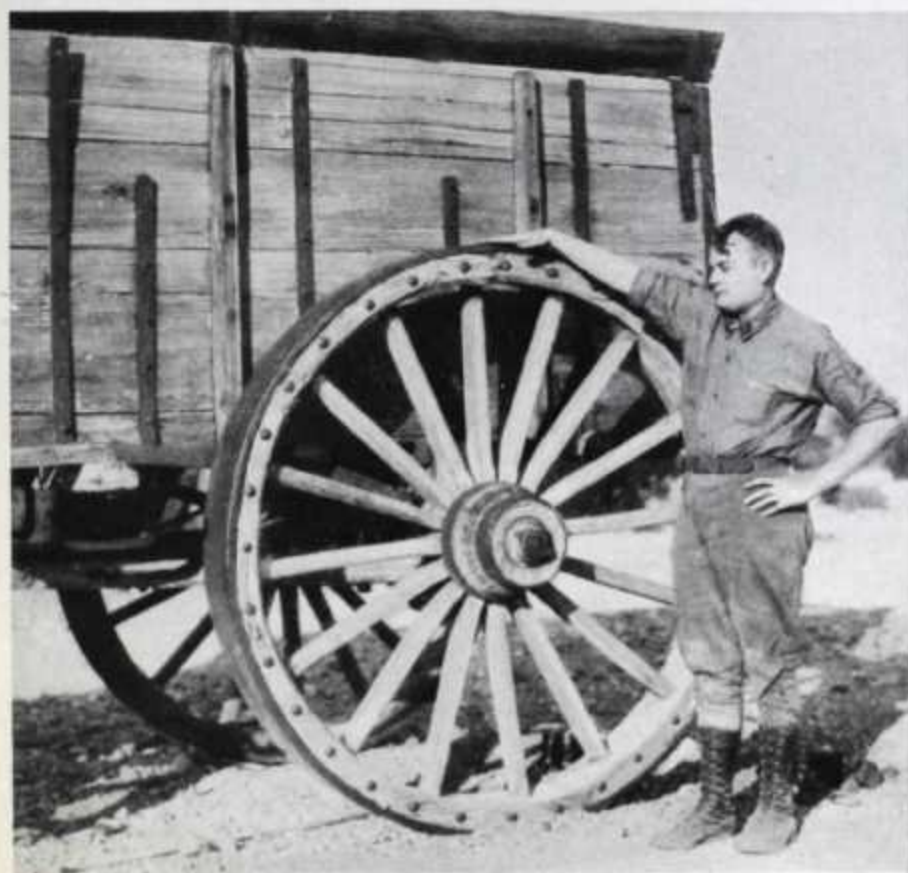
You look and realize something of the thoughtful labor that has been developing the resources and making the scattered settlements of the region reasonably habitable.

To reach Death Valley by train you may leave Los Angeles about nine o'clock in the evening and travel all night through an almost uninhabited desert, starkly beautiful under a lonely moon. At Kramer, a tiny, dusty station, you stop for breakfast. Then your train climbs further through the wild, desolate scenery to Death Valley Junction, with its interesting civic center, in the heart of the desert.

A village under one roof

HERE are calcining works of the Pacific Coast Borax Company where the ore was baked and concentrated before it was sent to Los Angeles. And here is a one-story adobe building of Spanish-Indian design which housed the workers. The main part of the structure is more than 800 feet long, and a wing 198 feet long extends forward at either end. A deep colonnaded porch fronts the main structure. There are 200 bedrooms, numerous bath rooms, a billiard room, a gymnasium, a hospital and operating ward, an ice parlor, a store and a post office under one roof.

The thick masonry roofs and walls, the ample provision for cross currents and the system of cooled-air ventilation keep the rooms at a temperature as low as 75 degrees with the thermometer at more than 100 in the shade only a few yards away. Even during the high midsummer temperatures the sleeping rooms are kept fairly cool. This modern housing project is a decided change from the old quarters over in the Valley, where the pioneer borax workers sweltered, went mad and died, in the first



COURTESY UNION PACIFIC SYSTEM

The 20-mule team is gone but the wagons they pulled remain. They are said to be the largest and most economical ever built

mining operations nearly half a century ago.

A narrow-gauge road, flung out like a giant cobweb across peaks and canyons, connects Death Valley Junction with Ryan, a former borax-mining camp in the Funeral Mountains on the Valley rim 20 miles away. Originally, the borax was gathered from dry marshes on the Valley floor. Now borates are mined in shafts, tunnels and stopes in the mountains. The mining operations were recently transferred from Ryan to Shoshone.

At Ryan, 6,000 feet above sea level on the crest of the Funeral range, the schoolhouse, clubhouse, bunkhouses and bungalows are ranged on a steep incline, with the narrow-gauge railway on its one narrow street.

From Ryan one travels by automobile to Furnace Creek Ranch, descending rapidly about 17 miles to the low valley floor. From Ryan the tourist buses start on the first tour of the Valley or to reach

There are horses, mules, Hereford cattle, and a variety of dogs. A Mexican foreman has charge of the ranch and his workmen are Shoshone Indians who live in a small village of tents beside the ranch house. A one-room school for the Indian children was built recently.

The valley's first industry

BEYOND the little haven of shade, the green alfalfa fields and the date orchards lie the burnt, twisted rocks and the vast beds of sand and gravel varied by stretches of alkaline earth and patches of salt marsh that gleam like snow in the desert sun.

In 1880, borates were first discovered by Aaron Winters and his wife. Ruins of the Harmony Borax Works, the pioneer refining plant north of the ranch, are now of interest to tourists. A few of the old wagons are to be seen at the ranch. They are said to be the largest and most

Though Death Valley, because of its name and its spectacular desolation, has long been regarded as a region almost fatal to human life, it is probably true that many more people have perished of thirst on more frequented deserts which have a less sinister reputation.

"Safe here as anywhere," declared an old prospector who has hunted gold in and around Death Valley for 20 years.

"Safe as New York City. But you don't want to go foolin' around without regards for the nature of the country. If you learn the desert and keep to the rules you're all right. I've traipsed all through here with a pack mule. Got so's I like it better'n any other place. But I always mind what I'm doin'. Always carry some extra water. Sometimes one of these water holes just disappears all of a sudden. Come along and you don't find the water. Got to stick it to the next one somehow."

This prospector made a comfortable fortune out of a gold mine in the Funeral Mountains and owns a fine house and garden in Los Angeles. But the desert has set her sign upon him, and he still longs for the familiar trails.

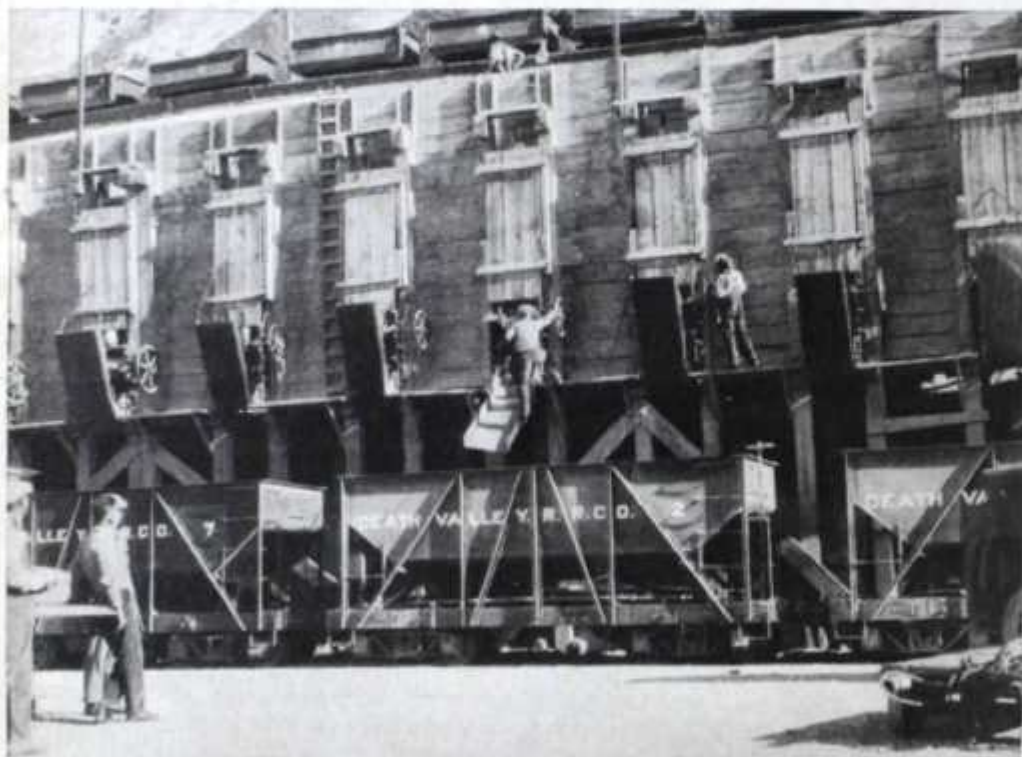
Didn't mind the heat

"SLEPT all over here right in midsummer and never minded the heat," declared the prospector. "Used to lay down in the dunes. One night the wind sprung up and got to shiftin' the sand around and like to buried me under. I pulled out of there in a hurry when I waked up and saw what was goin' on. Used to sleep beside a water hole summer nights, and I'd leave my blanket half in the water and half out. Evaporation kept me cool that way."

Summer or winter, a pageant of color sweeps the Valley, changing its moods capriciously like an April day. The mountains seem never twice

the same.

Occasionally a dust storm rages between the encircling ranges, bringing a darkness like early dusk. Heavy curtains of dust trail across the dun foothills and shut the mountains from view. The wind may blow for a day, sharp and penetrating, lashing the palms and willows and beating your face with sand. It may drop in an hour, as suddenly as it rose. Once in a great while it rains. A fleeting shower that dashes over the mountains



COURTESY UNION PACIFIC SYSTEM

The borax mines are still a thriving industry. Cars are loaded at Ryan, which is in the center of Death Valley mines

Furnace Creek Inn, a short distance from the ranch house. The ranch provides a fascinating oasis, with alfalfa fields and a grove of willows, cottonwoods and tall palms, as well as young date orchards planted by the Government in the hope of obtaining pest-free nursery stock. The date orchards are flourishing in spite of the intense heat and it is thought that they may develop a profitable yield as well as provide healthy plantings.

economical ever built. The twenty-mule teams stretched out 120 feet in front of the driver, who handled them with a single jerk line and voluble profanity. The wagons carried 20,000 pounds, and the management of these loads on grades and curves was a ticklish business, the whole trip of 160 miles to the railroad at Mohave being full of perils and adventure. Now airplanes are flying over the route and a landing field has been made on the floor of Death Valley.

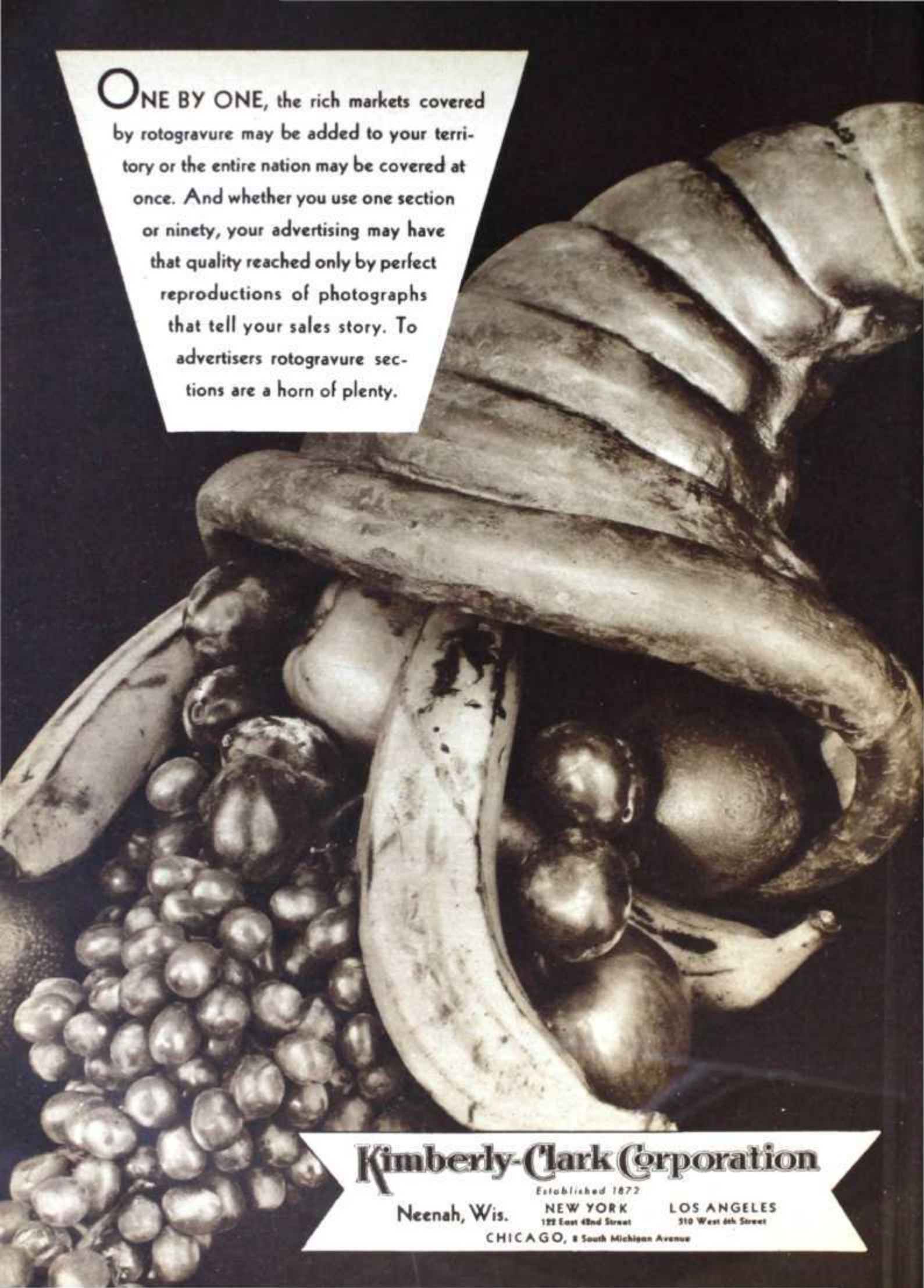


Kimberly-Clark Corporation

Manufactures papers of different weights and qualities for use in publishing monthly and weekly magazines, package inserts, booklets, mail-order catalogs, catalog and magazine inserts, broadsides, house organs for black and white and color printing as well as the majority of newspapers publishing rotogravure sections.

SIZE

A business often is justifiably proud of its size. Yet to state that size in words seems crudely boastful. Pictures of factories are but little less obvious than words. But there are other ways of telling the story by picture. Here, by showing in the background a factory's production ready for distribution, there is an implication of tremendous facilities—an implication, subtle and powerful. Powerful because it is a photograph which is believable. Powerful because that photograph has been reproduced perfectly—by rotogravure.



ONE BY ONE, the rich markets covered by rotogravure may be added to your territory or the entire nation may be covered at once. And whether you use one section or ninety, your advertising may have that quality reached only by perfect reproductions of photographs that tell your sales story. To advertisers rotogravure sections are a horn of plenty.

Kimberly-Clark Corporation

Established 1872

Neenah, Wis.

NEW YORK
122 East 48th Street

LOS ANGELES
510 West 6th Street

CHICAGO, 8 South Michigan Avenue

and disappears in a bright, whirling mist. Annual rainfall is often less than half an inch.

The mountains around Death Valley are said to be rich in deposits of gold, silver, copper, iron, onyx, travertine and marble. Considerable gold has been taken out of the region, and the recent find at Tonopah, just over the Nevada border, served to intensify gold seeking in and around the Valley. It is a place of lost mines and mysterious discoveries such as stir the wandering gold seeker. The growing interest in the region undoubtedly will lead to larger mining ventures of all sorts.

Successful experiments at Furnace Creek Ranch in the growing of fruit, vegetables, grain and alfalfa may lead to agricultural developments such as have transformed the Imperial Valley. But this prospect seems now to lie in the remote future and perhaps will never be realized because of the scarcity of water.

Several years ago the ranch house was lighted by a small electric plant operated by a water wheel placed in an irrigation ditch which brings water down from springs in the foothills. A large fan operated by a similar wheel makes the house more habitable for the ranch foreman during the hot months.

Furnace Creek Inn accommodates 50 guests, and motor tourists are provided with supplies at the ranch and find good camping places in the grove of palms or on the sandy flats. In May the Indians migrate to the high Panamints, taking along the herd of cattle. The ranch foreman is the only person who stays in the Valley all summer.

Minnesota's Peat

THAT Minnesota may one day be a great iron-smelting state is forecast in a recent address by J. Howard Hay, deputy commissioner of agriculture for the northern commonwealth. Said Mr. Hay in discussing the peat deposits of the state and their utilization as fuel in the iron industry:

"There are in the state billions of tons of peat. The deposits vary in thickness from a few feet to ten or 12 feet and cover hundreds of acres. Experiments have proved this peat can be used in smelting the iron ore mined in the state."

To-day, Mr. Hay pointed out further, peat is being used exclusively to heat a state building at Hibbing and as fuel by families in the northern part of the state.—J. L. C.

The services of
five corporations are provided
for projects of any type or mag-
nitude. One or more of these cor-
porations may be employed to
meet specific needs.

Organization

Financing—Operating

Design—Construction

Reports—Appraisals

Underwriting

Distribution of Securities

STONE & WEBSTER

INCORPORATED

STONE & WEBSTER ENGINEERING CORPORATION
STONE & WEBSTER AND BLODGET, INCORPORATED
STONE & WEBSTER SERVICE CORPORATION
STONE & WEBSTER ASSOCIATES CORPORATION
STONE & WEBSTER INVESTING CORPORATION

THE HOSPITAL is proving a worth while source of labor supply for a chain hotel organization. Other sources, just as unexpected, provide workers when properly cultivated. Any employer wishing to build up a list of workers against the vacancies that appear in his staff from time to time will find interesting tips in this article



The chef and his staff fascinate back-stage visitors at hotels

Where We Look for Good Workers

By RICHARD S. UHRBROCK

Department of Hotel Administration, Cornell University

LATE ONE afternoon about a month ago the president of our company, a hotel organization in an eastern city, told me that his secretary, Miss Hanson, was planning to be married. That meant getting a new person to fill that job. With three months' notice, one would have time to find just the right person for the work.

"I've been thinking," said Mr. Williams, "that I'd like to try a male secretary. Do you think you could find one for me?"

Of course I could! A personnel office such as ours prided itself upon filling all requisitions! He went on to say that he did not want a man who was only proficient in the usual duties of a secretary.

He could hire girls for work of that kind.

The man he had in mind would act as a sort of "other self." He would attend board meetings, and sit in on committees. He would meet visiting hotel men and play a game of golf with them if that seemed necessary, or sit up with them half the night if conferences of that nature were in order.

Where to find a secretary

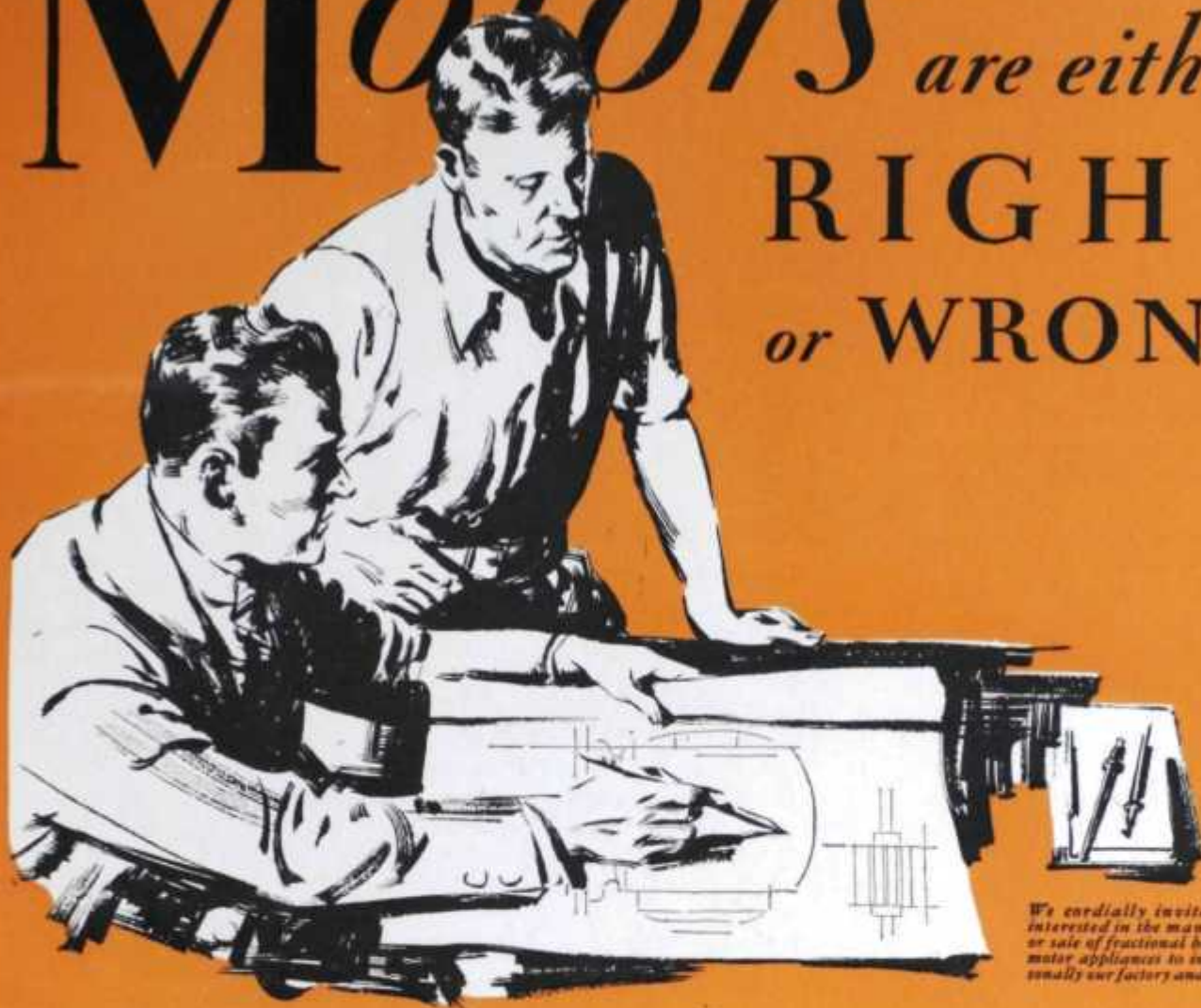
WHEN the president traveled and visited the units of the hotel chain, the secretary would accompany him. Obviously he had duties in mind that only a male secretary could perform.

So, I started to search for such a man.

He should be single, about 30 years old. We decided that he should have at least a high school education. One or two years of college work would be desirable, but not essential. The president wanted a man with at least five years' secretarial experience, preferably in the hotel field. With these points in mind, I began to sift the records of our present employees. As the record of each of our 2,000 workers is punched on a Hollerith card, the search was a routine process. I found several men with one or two of the desired qualifications, but no one with more than three. So, it soon became evident that I should have to go outside our present organization to find the man we wanted.

The first source of supply that the personnel man relies upon to fill vacancies, the present staff of employees, had failed to yield the man we needed. Then

Motors are either RIGHT or WRONG



We cordially invite anyone interested in the manufacture or sale of fractional horsepower motor appliances to inspect personally our factory and facilities.

FAR-SIGHTED manufacturers of electric-motored appliances or tools know that the selection of a motor and a source of motor supply is as important as the designing and the building of the product itself.

They know there is but one way to assure complete satisfaction and perfect performance—by equipping their products only with motors *specially* designed to fit the *exact purpose* for which they are intended. They know that there can be no makeshift in motor applications. Motors are either right or wrong.

For more than 16 years, large and successful builders of fractional horsepower motored products have found in Domestic a complete motor service such as

can be obtained nowhere else. Domestic not only analyzes and fulfills the motor needs of an appliance maker, but offers him extensive facilities of research, design, distribution and marketing as well.

Manufacturers . . . in the household, commercial or industrial field . . . who are introducing new electrical products, turning old applications to new uses, or seeking to overcome service troubles and cut production costs, will find it very profitable to consult with Domestic engineers.

THE DOMESTIC ELECTRIC COMPANY
KENT, OHIO

Courtesy Office—967 Union Trust Bldg., Cleveland, Ohio

(100)

Domestic
FRACTIONAL HORSEPOWER
Electric Motors

SMALL MOTOR MANUFACTURE • • APPLIANCE ADVISORY ENGINEERING

I began a correspondence campaign. I wrote to the School of Commerce at the State University and those in adjoining states. The directors of business schools and correspondence schools were approached. Many leads were disclosed, but most were thrown into the discard. Some names were added to our applicant's file, however, and several desirable men were employed for other positions.

Found him fifty miles away

ONE day the placement officer in one of the nationally known correspondence schools wrote me that he thought the man we were seeking was enrolled as one of their students. He had practically all the qualifications we were looking for, but he had not had hotel experience. He was employed as secretary to the president of a bank in a small town just 50 miles from my office.

After an interview with him, I was satisfied that he would fill the bill. Better still, the president of our chain of hotels thought so too.

The methods of finding men for particular jobs have developed tremendously in the past ten years. There was a time when we thought we had to advertise in the Help Wanted column of the morning paper for applicants, or, we hung out a sign near the employees' entrance to the hotel, and stated that bathmaids or kitchen helpers were wanted. That time is passing rapidly.



The 26,000 hotels in this country employ more than 600,000 workers

With the introduction of modern personnel methods, a steady stream of desirable applicants, from a great variety of sources, comes into the employment office. There are a score or more sources of employees that can be cultivated, and that will help to keep the list of potential employees filled with names of desirable people.

If the present staff is satisfied and

contented, workers will tell their friends about your organization. They will spread the news more rapidly if they are given a five-dollar bonus for each employee recommended who is hired and who remains with the company at least six months.

That is a profitable arrangement, particularly for those jobs where the turnover is high, and where it costs at least five dollars to hire a new employee.

In most cases when we consider the expense of bringing a new worker up to a satisfactory level of efficiency, the cost is far greater. This is especially true on jobs where breakage of glassware and dishes is a factor. The cost of replacing workers on higher levels is proportionately greater.

When labor is scarce we have used a field worker who has visited boarding and rooming house keepers in the vicinity of

our hotels. This worker has explained our needs and left introduction cards to be given to friends who might be interested in employment. While not the best possible source for obtaining new employees, it has its place at times. Such neighborhood surveys establish contact with potential workers.

We always have maintained friendly relations with the local school authorities. Each year thousands of young people enter the labor market, and for many their first job is largely a matter of chance. Vocational counsellors in the local high school are invited to bring their classes in Occupational Information to the hotel and a tour of inspection is arranged. Many of the young men and women never have been in a hotel guest room, and practically none has been in the back of the house. The chef and his staff profoundly interest them.

A large field of work

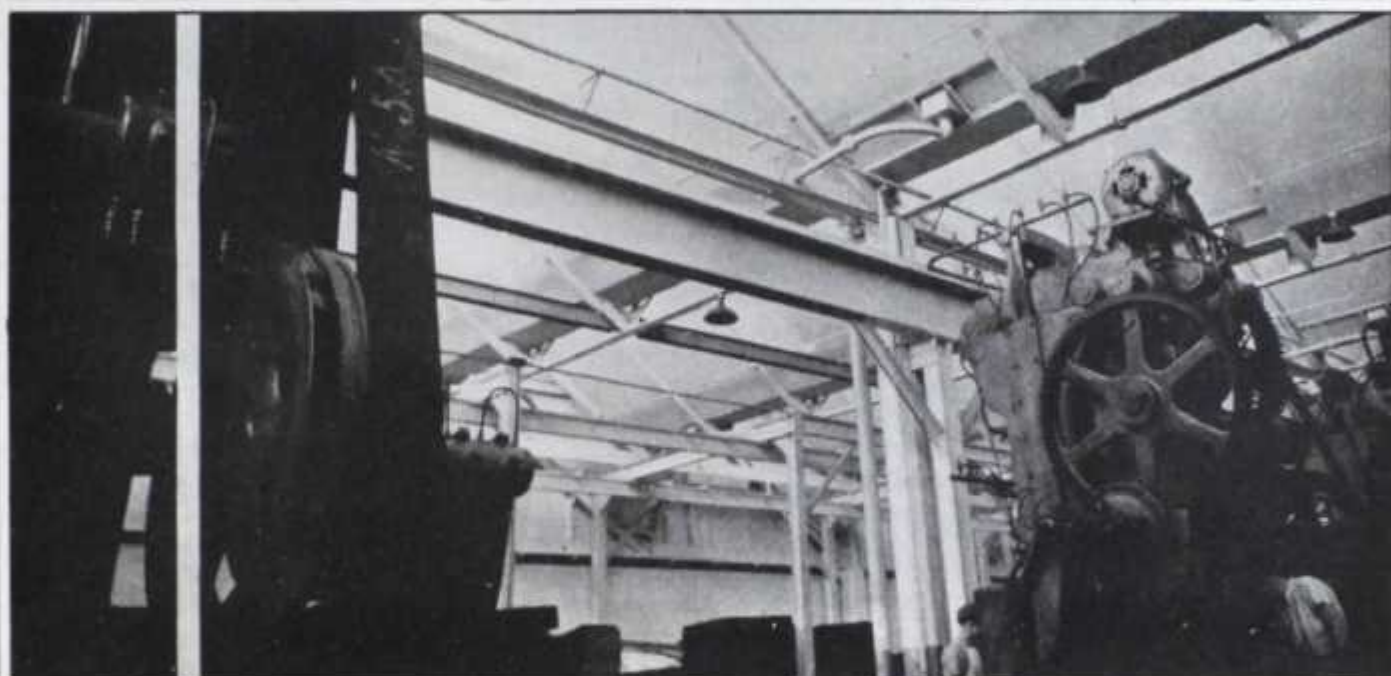
WHEN they are told that there are 26,000 hotels in the United States and that they employ 600,000 persons they begin to see some of the career possibilities in this rapidly expanding industry. When the high school youngsters graduate they frequently come to the hotel personnel office in search of a job. Whenever possible, they are used.

Ministers and settlement house workers often are able to direct people to the hotel man who can use them to advantage. We have found it advisable to have a small introduction card printed, to be



A lesson in bedmaking. The expense of training new workers must be considered as a part of the employment cost

AT ATWATER KENT-WHITE-AND LIGHT TINT PAINTS



and ZINC PIGMENTS

are the base of these
—and practically all
industrial interior
paints.

The
New Jersey
Zinc Company
160 Front Street
New York City



Zinc Oxide and "Albalith" Lithopone ZINC PIGMENTS IN PAINT

When writing to THE NEW JERSEY ZINC COMPANY please mention Nation's Business



SHOCKROD & OVERHOLSER

The laundries in hotels in the East employ Portuguese help to a large extent and local leaders cooperate in finding workers

distributed by such persons when they send applicants to us. We can identify the sources from which we draw our applicants, and check the efficiency of those whom we employ. In this way we build up a preferred list of sources.

On occasion, we have used private and public employment agencies. We believe in encouraging municipal and national employment offices, so that eventually we may have one clearing house in each community where the worker who is looking for a job and the employer who is looking for a man may come together with a minimum of delay.

We know of personnel directors who use labor scouts, just as the major baseball leagues use men to discover new timber or Ziegfeld uses beauty connoisseurs to find new members for his productions. One chain of coffee shops has a man who spends all his working hours visiting lunch rooms and observing the counter men. When he notes a man who is particularly efficient he gets his name in some manner, and turns it in to his chief.

Pirating is uncommon

THE man gets a 'phone call in a day or two, and is invited to call for an interview if he is interested in the job discussed. Such pirating of employees probably is not common, largely because a relatively small

proportion of jobs are pursued where they can be observed in all their details by the public.

I use the Situations Wanted advertisements as a source for workers. I glance over the page in the morning papers and check a few of the advertisements. A card is then sent asking the persons to call for an interview.

Occasionally we obtain desirable people in this manner, although I do not rate the source as the best. The few who are hired, however, greatly offset the small time and the expense of the

postal card required to negotiate an interview.

I know a company which encloses with its annual dividend notices a letter to each stockholder explaining to him that the success of the company depends upon its personnel. It is made clear that the company is interested in getting in touch with ambitious young men who may be developed for positions of responsibility.

Two introduction cards are enclosed that the stockholder may give to men with whom he is acquainted. As the company stock is widely held, this method is successful in developing a supply of high caliber men.

Colleges are good sources

OUR company, together with many others, early discovered the value of visiting college campuses in the spring and explaining the work to the seniors. The Department of Hotel Administration at Cornell University is a splendid source of college men trained in hotel work. In addition to courses in hotel accounting, engineering, food preparation and personnel administration, they are required to work during their summer holidays in hotels of various types and sizes.

All unions, and many lodges, fraternal organizations, and alumni groups maintain placement officers. Letters addressed to such men, stating employment needs, make points of contact that frequently yield valuable returns. The



EWIN GALLORRY

Public and private employment agencies offer a clearing house where the man looking for a job and the employer get together

Read it either way —and you'll want GOODYEARS

We have repeatedly said that "more tons are hauled on Goodyear Tires than on any other kind."

This statement has two meanings—both of them good. First of all, it means that more trucks are equipped with these famous tires—they are chosen by more truck operators—they have convinced more men like yourself that they bring greater traction, greater endurance, greater safety to truck operation.

Naturally, the statement also means that "more tons are hauled on Goodyears" in the sense that more loads can be hauled, more trips can be made, on a set of these tires. That's a matter of the average cost of operation on Goodyear Tires—and you can be sure they give a great account of themselves, otherwise they would not hold such a leadership.

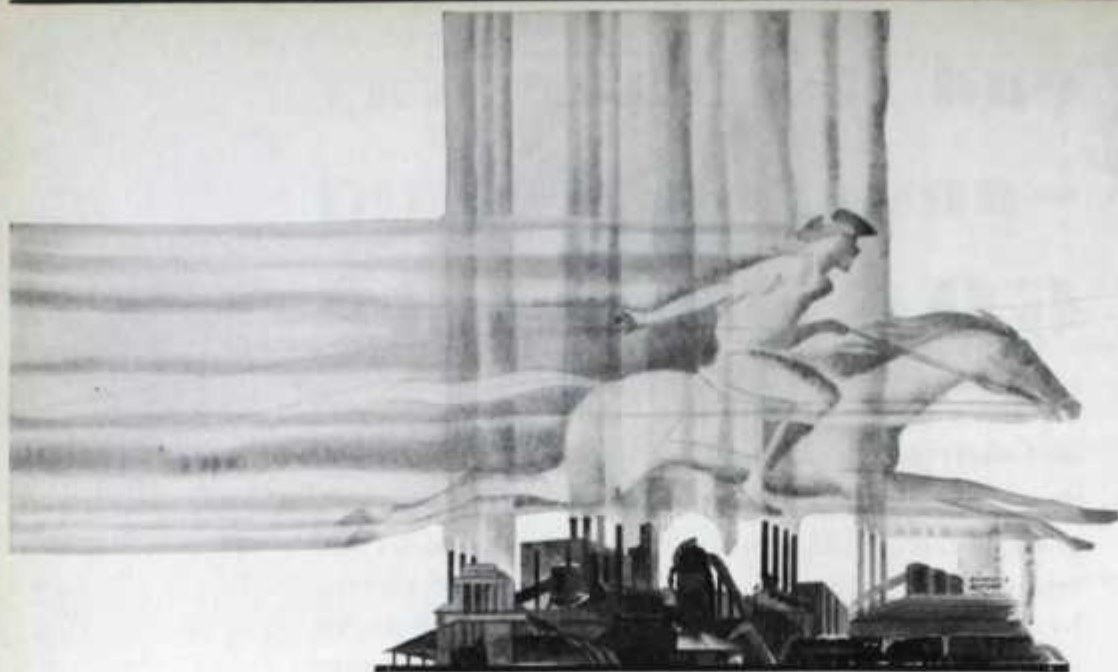
To get the fullest service which Goodyears can give you—apply the right type of tire to your hauling job. Goodyear Truck Tire Service Station Dealers are equipped to give you accurate recommendations—let them show you the way to greater satisfaction and economy from tires.

THE GREATEST NAME IN RUBBER



ON YOUR NEXT TRUCKS
SPECIFY GOODYEARS

When buying GOODYEAR TIRES please mention Nation's Business to the dealer



THE SPIRIT
OF
Paul Revere

IS A GLORIOUS HERITAGE FOR
AN AMERICAN BUSINESS



Out of century-old files emerges a letter written by Paul Revere in 1800 to Harrison Gray Otis, Member of Congress:

"It is the universal belief that no one in this country could make Copper so malleable as to hammer it hot. I have farther found it a Secret that lay in very few Breasts in England.

"I determined, if possible, to find the Secret and have

pleasure to say that after a great many trials and much expense I gained it."

Through these simple sentences shines the spirit of Paul Revere.

This man had the heart of a pioneer and the zeal of a crusader. Throughout the War for Independence, he knew only one command,—his country. After the war,



*Brass Bell Cast by Paul Revere
Still Summon Church Goers*

he fixed on a new cause,—the founding of an American copper and brass industry.

And so tremendous was the impulse Paul Revere imparted, that Revere copper, brass and bronze products remain an American standard to this day.

+

THE BEGINNING OF HIS EXPERIMENTS

After the peace of 1783, Paul Revere acquired a "foundry at the North Part of Boston."

Here, with no guidance but the vision in his mind, he began to experiment.

First, in bronze; and so successfully that every New England church sought a bell of his "sweet-toned metal." Then, in brass; and so successfully that the U. S. Army adopted his "durable castings" for its howitzers.



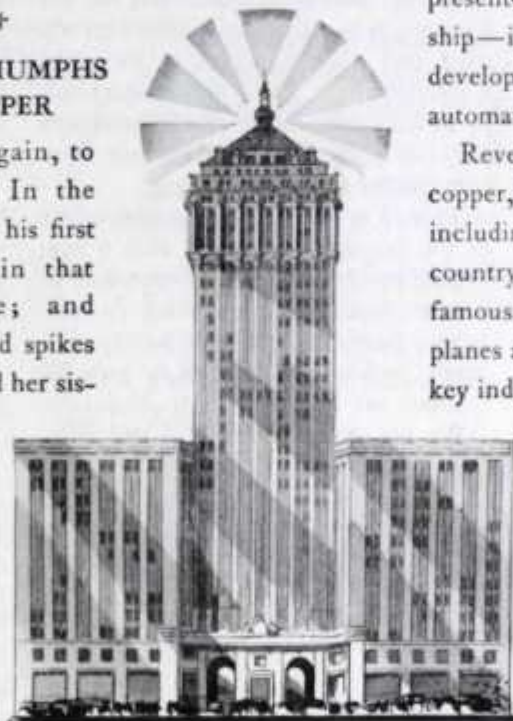
Revere Built This First American Copper-Rolling Mill

American malleable copper bolts and spikes went into the frigate Constitution and her sisters. In 1801, his greatest victory; he completed America's first copper-rolling mill and rolled the first American sheet-copper.

But Paul Revere's unquenchable pioneer spirit listened to no stopping here. He sent his son, Joseph Warren Revere, to the copper and brass plants of Europe. He kept up a barrage on the national govern-

HIS TRIUMPHS IN COPPER

On again, to copper. In the nineties, his first victory in that struggle; and



Revere Supplied Copper, Brass and Bronze for the New York Central Building and Hundreds of Other Skyscrapers

*After many trials and much expense
I gained the secret PAUL REVERE*

of-war. He experimented . . . improved until the very end.

+

IN THE REVERE SADDLE TODAY

Such is the spirit by which Revere first rode to greatness in copper and brass. That self-same spirit is in the Revere saddle today. It is evident in Revere's present-day management—in which E. H. R. Revere, great-grandson of Paul, occupies a prominent place.

It is evident in Revere's

present-day leadership—in Revere's development of new rolling-mills, completely automatic and continuous in operation.

Revere operates 25 per cent. of the nation's copper, brass and bronze rolling-mill facilities, including the two largest copper mills in the country. It is copper and brass maker to the famous names in electricity, automobiles, airplanes and radio. Seven Revere plants, in five key industrial centers, provide unexcelled service to users of copper, brass and bronze.

+

A GLORIOUS HERITAGE

It is great for a business to have size. It is great for a business to have prestige. But it is greater for it to keep the vigor of the pioneer.

The spirit of Paul Revere is a glorious heritage.



Robert Fulton's S. S. Raritan Had Revere Copper Boilers

Revere Copper and Brass

INCORPORATED

Divisions: Baltimore Copper Mills, Baltimore, Md. . . Dallas Brass & Copper Co., Chicago, Ill. . . Higgins Brass & Manufacturing Co., Detroit, Mich. . . Michigan Copper & Brass Co., Detroit, Mich. . . Rome Brass & Copper Co., Rome, N. Y. . . Taunton-New Bedford Copper Co., Taunton, Mass.

GENERAL OFFICES: ROME, N. Y.

same may be said of the vocational guidance bureaus in most cities. Persons seeking employment usually are sent somewhere. They might as well be sent to you, if you are interested in sifting certain types of unemployed in your search for workers.

There have been a few cases where street-car advertising of the "good-will" type has been used. Such ads do not contain specific references to definite jobs. They simply keep the organization in the public eye, and create the impression that the Smith-Jones-Brown Company is an extremely desirable place to work.

It is well to maintain a list of former employees who would be rehired if they cared to return. This is a particularly valuable source of labor for one company that maintains a training school for its workers, who are taught a special process. Since the training costs between \$400 and \$500 for each student, any former employee who is rehired represents an appreciable saving.

Getting back employees

IN THIS instance a worker from the employment office visits the former employee in his home and explains any new wage scale that may have been inaugurated, or any changes that could be considered inducements. If the man returns, he is put into the training school until he regains his old efficiency. It is estimated that if one man can be induced to return each month the saving in training cost pays the field worker's salary.

Discharged prisoners represent a neg-

lected source of labor supply. One automobile company designates one per cent of its positions for such men. They are known to the employment office, and are given every opportunity to make good. Company officials have not seen fit to change this policy in ten years.

The laundries of the large hotels in the eastern cities employ Portuguese help to a large extent. The editor of their paper, their parish priest, merchants and politicians of their own nationality all serve as sub-personnel officers and aid in keeping up the supply of such help.

Hospital furnishes good help

I HAVE used the hospital as a source of labor supply. It came about in this way. When I was visiting one of our men who was convalescing from an operation for appendicitis, he introduced me to a splendid chap who occupied a wheel chair. This fellow had broken his leg, and was about to be released from the ward.

He had been a carpenter, and did not have a job to return to. I gave him my card, and when he called at the office a few days later, I was able to start him in at his trade, for the large hotel employs carpenters as well as men from many other skilled trades.

Then I talked to the superintendent of the hospital and found that a surprising number of patients do not have jobs to return to when they recover. I have used this source of supply with much satisfaction. Hospital superintendents are quite willing to cooperate.

We got our fireman and our engi-

neer's assistant from the Seaman's Institute. That may sound fantastic, but it's true. Contrary to popular belief the men who go "down to the sea in ships" sometimes marry and want to settle down with their wives and children. But they can find few jobs ashore in which they can use their special knowledge.

If they have had engine-room experience, however, they can be used to advantage in modern hotels and apartment houses. Many of them have "tied up" permanently to good jobs in New York and Boston.

About a year ago I had lunch with a friend who is director of personnel for a large department store. We talked shop. In the course of the conversation he mentioned that he was using three women for information clerks who were physically handicapped so that they were unable to walk. One had lost a foot. The other two were infantile paralysis cases. These women sat all day long in little booths in the main aisles of the store and answered customers' questions.

That gave me an idea, so I began to look at the jobs in our hotel with a view to finding places for the physically handicapped.

Obviously, the handicap could not be such that it would interfere with the performance of the duty. So far, we have filled four vacancies for floor clerks with women who cannot walk without aid. Since they sit all day at desks, it is probable that most guests never know of their misfortune.

A silent kitchen

IN OUR kitchen we have a crew of deaf and dumb men. We obtained them from a local training school. They are fast and silent. That latter characteristic is in marked contrast to the usual hotel kitchen, where the shouts of men are added to the clatter of dishes. The crew works as a team and bids fair to break all records for length of service on that work, which is noted for its high turnover.

The director of personnel cannot afford to rely on the chance applicant who comes to his office looking for work or on answers to advertisements hastily inserted to fill emergency requisitions. One of the most important parts of his job is to establish and maintain contacts with many sources of labor, and to open up channels that will bring applicants to him. Only in that way can he keep ahead of the game and obtain his share of the desirable people who are changing jobs.



UNDERWOOD & UNDERWOOD

The large hotel employs men from skilled trades as well as unskilled. It needs a large list of applicants to draw from



An interesting one reel film, "The Battle Song of the Cities," depicting some phases of the smoke evil, will be sent free of charge to clubs, churches, schools, or other organizations desiring instructive entertainment for their meetings. Please write our Philadelphia office.

YOUR GREAT OPPORTUNITY FOR CIVIC LEADERSHIP

CIVIC organizations throughout the land have at hand a magnificent opportunity for civic service. That service is the abolition of the smoke nuisance in their own communities. Just as cities safeguard their water supply from the contamination of sewage, so they should clean the sewage from the sky.

By doing so, they can prevent the loss of millions of dollars through the destruction of goods; they can stop the unnecessary costs of cleaning buildings, homes, and clothing; they can diminish greatly the illnesses and deaths from respiratory diseases; they give city children a chance to grow sturdy.

Homes which in the aggregate contribute almost half of the city's smoke, can stop pollution of the skies most easily and economically by burning Pennsylvania hard coal, such as Famous Reading Anthracite.

Any one with a smoke or heating problem can obtain the advice of a Reading combustion engineer, without charge, by writing our Philadelphia office. He will give you sound counsel on your combustion problems—and he is never allowed to recommend Famous Reading Anthracite unless its use will prove its greater value.

THE PHILADELPHIA AND READING
COAL AND IRON COMPANY



THAT BETTER PENNSYLVANIA HARD COAL



Thousands of visitors thronged the "Court of Honor" during the Chicago World's Fair of 1893

Chicago Plans a New World's Fair

By EDWARD N. HURLEY

Former Chairman, Federal Trade Commission; War Chairman, U. S. Shipping Board

CHICAGO, civic child of a century of triumphant science which has transformed the lives of men, is preparing a pageant of modernity. The only one of the great cities born in the age of mechanical power proposes to dramatize the fast-culminating emancipation of humanity from past eras of servile toil and primitive handicrafts.

This stock-taking is designed to interpret to mankind how the new world came to be, to make an inventory of its present and to give a basis for calculating the probable future of scientific civilization.

The idea is novel, but men must express new ideas in old words. Hence the cultural effort which Chicago now has under way is spoken of as another

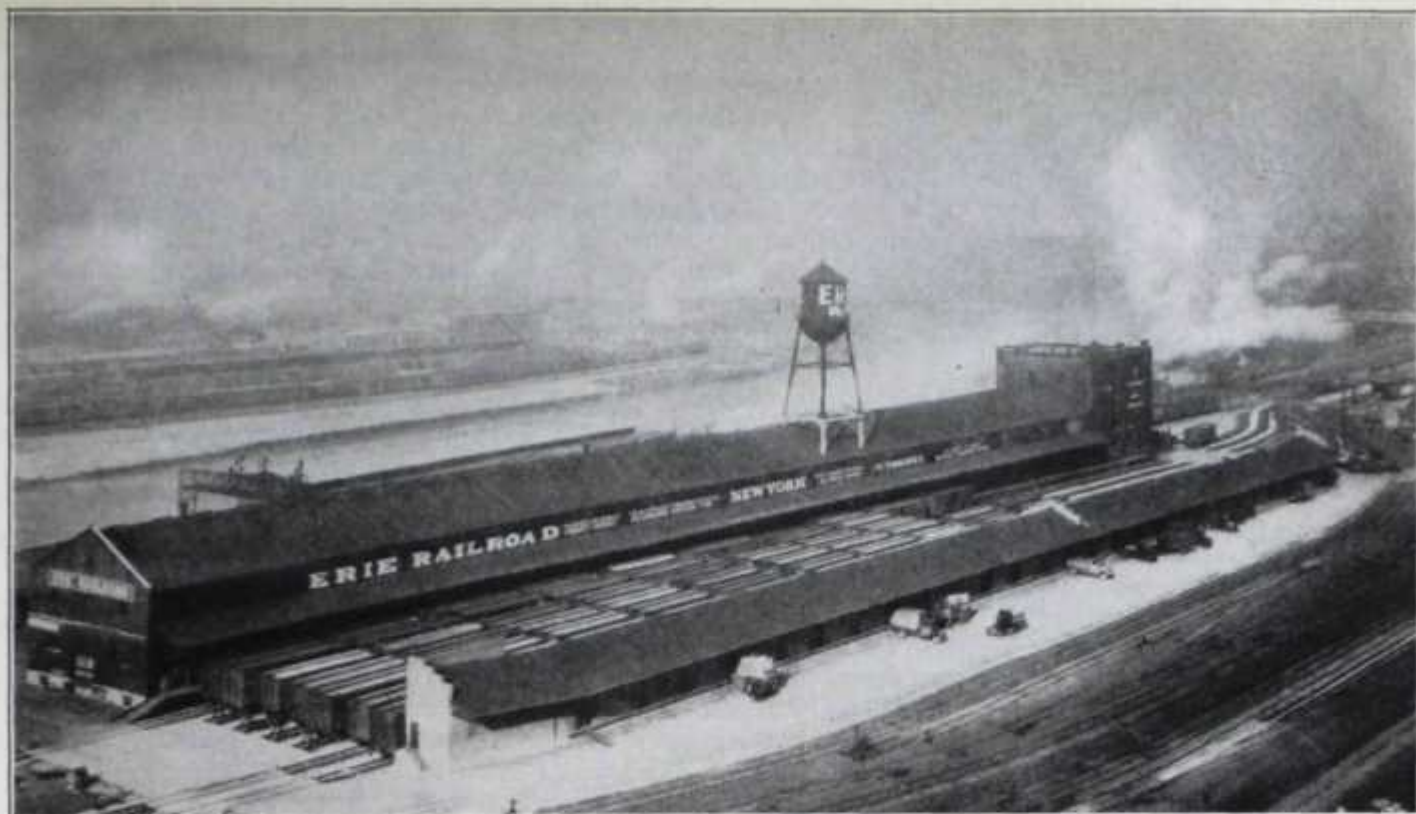


Rufus C. Dawes, president of Chicago's World Fair of 1933

World's Fair. In truth, however, the old-style commercial, industrial and artistic exposition has little relationship to Chicago's coming study and visualization of the new scientific civilization and its arts.

Not to be a supermuseum

BY no means is Chicago's Century of Progress Exposition designed to be a supermuseum. Rather it is to be an interpretation which will make clear the social and cultural consequences of scientific discovery and research, their application to the business of living and their significance in the quest of the good life. Back of the effort is the realization of the fact that our cultural heritage is derived from the ages of



Erie Railroad's 14th St. Freight Station and Team Tracks at Chicago.

Improving

Erie's freight facilities

at

CHICAGO

With the opening of its new FOURTEENTH STREET FREIGHT HOUSE in Chicago The Erie Railroad has provided its shippers with vastly improved facilities at its western terminus.

The station is served by wide concrete driveways and its seven tracks have a capacity of 105 cars. The loading of side and end door equipment is accelerated by the use of concrete ramps. The team tracks just north of Fourteenth Street have been relaid to serve the station to better advantage.

The CANAL STREET YARD has loading and unloading platforms for automobiles, and is equipped with wide driveways and team tracks.

These improvements at Chicago are further reasons why shippers favor The Heavy Duty Railroad.



ERIE RAILROAD SYSTEM

Route of The Erie Limited

agriculture and handicrafts. To bring about a better adjustment to this new scientific and mechanical world in which we must live henceforth is one of the key motives which inspired the coming exposition.

Chicago has moved into this great work with energy. Gen. Charles G. Dawes took the helm of the enterprise and, in one night, raised the initial ten million dollars required for its launching. Rufus G. Dawes, General Dawes' brother, is president of the Fair.

Chicago qualified for task

CHICAGO is well qualified for several reasons to assume the task of staging such an exposition. Ever since the community demonstrated its creative and constructive abilities in the old World's Fair, it has been one of the leading cities in long-range municipal planning.

The famous Burnham Plan, by which the growth of the city has been guided for 20 years, has resulted in an urban development which has proved that the interests of industry, commerce, social welfare and the arts can be harmonized successfully in the cities of the "machine age." The evolution of the Burnham Plan has also proved that the people of the modern city can be profoundly stirred by a civic ideal and set to work for its achievement.

"Make no little plans. They have no power to stir men's blood!"

Such was the advice offered by Daniel H. Burnham, the architectural father of present-day Chicago. The world needs to be stirred; needs a chance to stop and take breath and discover what it has

been doing this past hundred years, where it stands today, and in what direction it is headed.

Scientific knowledge has rolled up like a snowball in Chicago's century. A little of it, put to practical use, has forced itself into the average mind. We think we are familiar with radio, airplanes, transportation, the "movies;" with the latest advancement in economics, art, industrial relations. Yet the man on the street is too close to a few scattered, practical results to understand what is happening to him in a larger way. Still less is he able to form an intelligent opinion as to what the future has in store.

How little do we appreciate the revolutionary effects of the new modes of transportation which first became available for mankind at the time Chicago was incorporated as a village in 1833? In that year trains first ran on scheduled service in this country. Transportation before that was measurable in terms of ox-cart speed and capacity. Since then, the world has been moving ever faster through the harnessing of steam, gas and electric power. The development of transportation ran concurrently with the development of the power era. So that the history of Chicago reflects in a dramatic way the industrial progress of the world. It is fitting, therefore, for Chicago to sponsor this coming "world appraisal."

"Make no small plans," said Burnham, and told the reason. And for the same reason there will be nothing physically small about the new Fair. In mere size, of course, the "Century of Progress" will far outstrip anything hitherto

attempted. This is made the easier of accomplishment because of Chicago's natural facilities for utilizing its "front yard." Miles of made islands, paralleling the Lake shore, will serve as sites for more than a thousand acres of buildings and grounds—the inner nucleus of the exposition. The entire Fair will cover some 20 square miles, drawing into it many great permanent structures already built, together with connecting park areas.

However, it is not so much in its physical attributes that the originality of the "Century of Progress" will be found, but rather in its conception of what the modern world needs for a proper appraisal of itself. For example, the coming World's Fair will tell the story of art, science and industry, not through endless competitive exhibits, such as always have marked previous expositions, but by presenting these great movements collectively.

Take such diverse subjects as cement, finance, agriculture, chemistry, airplanes, engraving—even beauty culture. Their background, their development during the past century and their relationship to modern life will be pictured by collective displays, international in scope. Thus the average visitor will be enabled to grasp the relative place that such things hold in his own life.

Something entirely different

THERE will be a distinct departure from conventional methods of presentation, to the end that every exhibit shall satisfy the dramatic instincts.

The lighter side—the sports, pageants and so on—will be developed along the same collective lines, dramatically presented. We are to have the world's best music, most famous musicians, a world carnival of sports—all on a scale never before attempted.

One of the most significant features from the point of direct benefit to mankind is the Congress of Thought. Plans are under way to make Chicago in 1933 the center of most of the important meetings of the world, including such conventions and congresses as are best suited to discuss modern international problems. It takes little imagination to predict the cumulative influence of such meetings of the foremost thinking men and women of all nations.

The approaching World's Fair is a new conception of such things, not only because it will be bigger and more dramatically presented but because it will emphasize world progress rather than the achievements of individual nations or firms or persons.



Chicago's World Fair of 1933 is to mark as notable an advance in science and the arts as did the historic Columbian Exposition of '93



*"Don't listen," says Habit,
"Our out-of-date methods are good enough!"*

HOW unnoticed is Habit in our daily business lives! Yet what a powerful force — what a foe to progress if given half a chance.

"No!" is always on the lips of Habit. "No", he whispers when the newer method, the better method, the more economical method is suggested.

Anything that is different from old-time methods Habit is against!

In many concerns today Habit is dictating that business forms and communications be handled by out-of-date methods. Time is thereby wasted, mistakes are sprinkled liberally, sales opportunities go unheeded, profits are absorbed.

Thousands and thousands of concerns are discarding the ways of Habit and adopting modern Addressograph methods. Countless forms are handled in a fraction of the time formerly required—telephone bills, insurance premium notices, state-

ments, stock records, factory schedule forms, gas and electric bills, shipping tags, collection forms, route sheets, payroll and dividend checks, time tickets, letters, envelopes, post cards, etc.

There is an Addressograph representative in your locality who will be glad to give you full information without obligation.



Electric and automatic Addressographs operate at speeds from 2,000 to 12,000 impressions per hour. Electric machines \$295 to \$785 — automatic machines \$795 to \$12,750, f. o. b. Chicago.

Sales and service agencies in the principal cities of the world

ADDRESSOGRAPH COMPANY

General Offices: 901 W. VAN BUREN STREET, CHICAGO, U. S. A.
Canadian General Offices: Addressograph Co., Ltd., 30 FRONT STREET, W., Toronto, Ontario.

European General Offices: Addressograph Ltd., London, England.
Factories: Chicago, Toronto, London, Berlin.



Class 1200 Dupligraph produces 500 personalized letters per hour with name and address, salutation, body of letter and date. Price \$300, other duplicating machines \$17.50 to \$2,025, f. o. b. Chicago.

Addressograph

TRADE MARK

PRINTS FROM TYPE



The former Governor of New York at his desk in the Empire State offices

WIDE WORLD

Al Smith's No Business Novice

By ALFRED ALBELL

LIKE THE great Cincinnatus who rose to the heights of Dictator in the Roman Empire, exhausting his talents for organization and rule, only to return quietly to his plow when his task was done, there stands on the American business scene today the figure of Alfred E. Smith.

Al Smith has devoted the greater part of his 56 years to public service. His career carried him through four terms as governor of New York and climaxed with his candidacy for President of the United States.

Now, Al Smith has settled down to business. Last August, he was made head of the Empire State Building Corporation, a syndicate which will erect an 85 story office building on the site of the Waldorf-Astoria Hotel at Fifth

Avenue and Thirty-fourth Street, New York City. In December he was elected chairman of the County Trust Company of New York.

Each day one may find the former governor at his suite of offices not far from where the Empire State Building is under construction. He keeps in seclusion throughout the day. A corps of secretaries is ready to do the bidding of this man who in a few months has come to be recognized as an important factor in the banking and business world.

In addition to his Empire State enterprise, and his duties as head of the bank, he is director of the National Surety Company, The Knott Hotels



WHAT adjustments are necessary when a man, trained in public office, enters the field of private business? Is he at a disadvantage when competing with men who have come up through the ranks of private enterprise? Al Smith, now head of a great corporation, after years in political life, answers these questions

Corporation and the Consolidated Indemnity & Insurance Company.

As the head of one and a director of others he must pass on the vital issues of these concerns' operations. A single decision by him changed the height of the Empire State building. The Chrysler building, recently completed at Lexing-



The last word in the science of aviation is spelled F-O-K-K-E-R



GENIUS is not too grand a word for the art of Anthony H. G. Fokker as expressed in the design and construction of the modern airplane. He has built more planes than has any other man or organization on earth. His planes have made twice as many pioneering long-distance and trans-oceanic flights as have any other make. They have flown more than *twenty-five million miles* on regular transport schedules, establishing records for safety and dependability that have never been approached.

Fokker manufactures now includes ten different models of airplanes: single and multi-engined types, land planes, sea planes, flying boats, amphibians. Requests for information or demonstration are invited, and will be promptly answered. Fokker Aircraft Corporation of America, General Motors Building, New York.

Now the genius of Anthony H. G. Fokker is supported by the vast technical and productive abilities of General Motors Corporation. The thoughtful man will know how to give that simple statement the rich significance it deserves. It means that whether you operate, fly or merely ride in an airplane you can count on that airplane embodying the last word in the science of aviation if it bears the name Fokker. It means that more than ever the airwise now select Fokker as the plane on which they can unhesitatingly rely.

F O K K E R

AFFILIATED WITH GENERAL MOTORS CORPORATION

When writing to FOKKER AIRCRAFT CORPORATION please mention Nation's Business



Let us assume that time and space appear on your cost sheets under such names as labor, rents, or depreciation; and that your profits increase as the cost of these items decreases.

Let us assume, also, that in producing the things you make you apply a finishing material to protect or beautify. If this is true, you will use less of those precious commodities, time and space, if you finish with nitrocellulose lacquer. It has reduced drying time from days to hours or from hours to minutes in many industries and has cut down floor space in proportion.

Where finishing is a major operation, as with automobiles and furniture, this opportunity for saving offered by nitrocellulose lacquer was seized upon at once. In many other industries finishing is of minor importance, but time, space, and the balance sheet are important to all. Nitrocellulose lacquers are used on wood, metal, plaster, textiles, and other materials. They are clear and transparent or beautifully colored. The nitrocellulose film is tough, resistant to abrasion, waterproof, and easy to clean with soap and water.

Nitrocellulose lacquers and solutions are finding new uses every day. To help those who believe this material may reduce their costs and improve the appearance and saleability of their products, we have prepared a booklet "The Story of Modern Lacquer."

Paint, varnish, and lacquer manufacturers make and sell nitrocellulose lacquers. They maintain costly research departments in order to help you determine the lacquer which will suit your needs, or to develop a new one for you. Consult the firm that supplies your finishing materials, and write us for the booklet.



CELLULOSE PRODUCTS DEPARTMENT
HERCULES POWDER COMPANY

(INCORPORATED)



982 KING STREET, WILMINGTON, DELAWARE
NITROCELLULOSE... COTTON CELLULOSE... NAVAL STORES... EXPLOSIVES

ton Avenue and East Forty-second Street, Manhattan, was heralded as the world's tallest. Al Smith's decision so changed the plans of the Empire State Building that when that structure is completed it will surpass the Chrysler Building in height.

Recently I saw Mr. Smith and he told me all about his settling down to business as a private citizen. He had just taken over the reins as chairman of the board of directors of the County Trust Company. Included in the group directing this bank are William F. Kenny, John J. Raskob, and Vincent Astor.

Asked if he had any qualms about entering competition with bankers and commercial rulers who learned their business in the orthodox fashion, he replied, "No."

"In a strictly technical sense, the work I am now doing is new to me," he said, "but in reality it isn't. I think I have had a varied business career. The state of New York is a pretty big business itself."

Government a big business

HE pointed to the Legislative Manual which shows the wide range of institutions run by the State.

"As head of the state government," he went on, "I had to acquire a capacity for detail. With this came the knack for a quick appreciation of circumstances. I have had to consider budgets, amalgamation of two or more state departments, methods of raising a bond issue or the construction of a large building.

"I was continually facing the elements of credit and expenditure. Although the state has no banking business, the controller's office puts over a pretty big financial job. The state spends 300 million dollars a year.

"Furthermore, I am inclined to think that politics and the background of my life have given me a vision of human nature that is an important asset to a banker or business man."

"Might politics prepare a man for business?" I asked.

"That's purely personal," he replied. "I have watched business men enter politics and reach great heights. Again, I have seen them fail miserably. I have seen politicians turn out to be successful business men. It all depends on the individual."

Mr. Smith believes that the

Empire State Building will mark a milestone in the business history of Manhattan.

"I fell in line with Col. Michael Friedsam, president of the Fifth Avenue Association, in a movement which is intended to rejuvenate the district south of Thirty-fourth Street," he said. "Powerful boosters of the city have focussed their attention on the blocks between Madison Square and Thirty-fourth Street.

Center of the Port District

"THIS particular section, I regard as the hub of the newly-defined extra-territorial division fixed by law, and what we will call the Port District.

"The Port District runs well out into New Jersey, a little above Yonkers in Westchester County and takes in certain

parts of Nassau County from Long Island Sound over to the Atlantic Ocean.

"In 1922, the population of this district was 8,500,000. Now, the problem of feeding and clothing that many people is immense.

"The northward march of business on Manhattan Island cannot be stopped. But it can be regulated. I believe that for office buildings, for general business, Fifty-seventh Street must be the finish line.

"The Grand Central Depot and the adjacent streets are becoming more congested every day. I think that region is built to its limit for quite a while.

"So there remains only to develop this section between Thirty-fourth and Twenty-third Streets. It is the part of Manhattan Island that can best stand it. It taps all the arteries of travel. It brings thousands in from New Jersey and Long Island.

"With future growth in mind we have decided to build a mooring tower for dirigibles two hundred feet high on top of the Empire State Building. We believe that, within a comparatively short time, airships will establish trans-Atlantic and trans-continental service. One of the problems is mooring facilities.

"The mooring tower will be part of the steel structure of the building and will be reinforced from the foundations of the building to the top. Waiting room facilities and offices for the operating company will be provided.

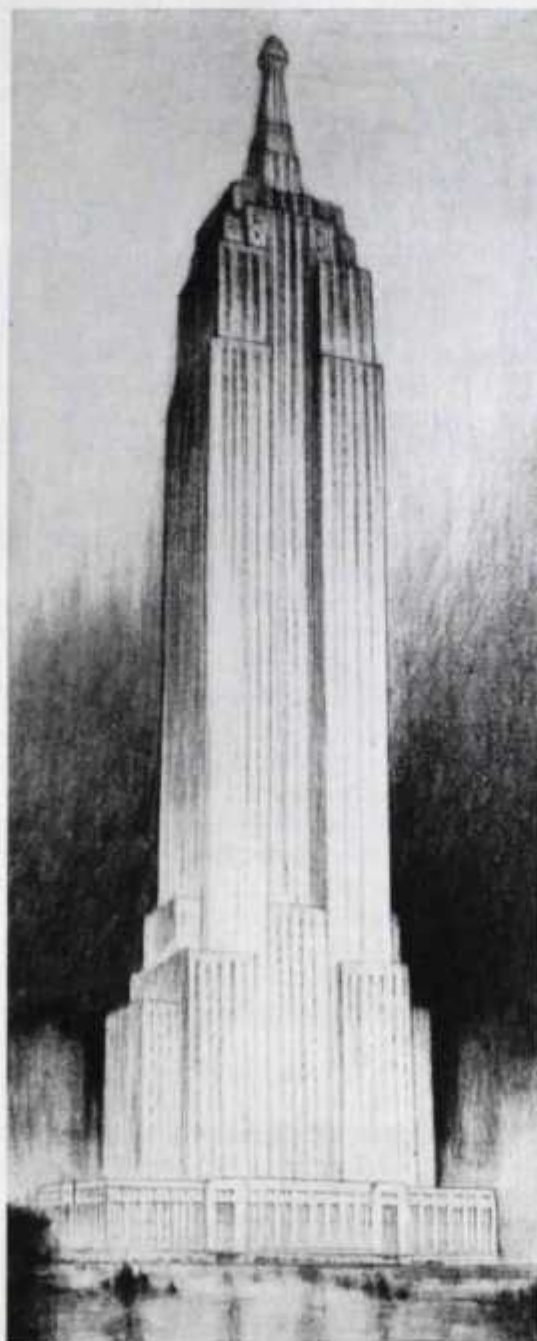
Landing 1300 feet up

"THE roof of the building will be 1,100 feet from the sidewalk. That would mean that the dirigible would be anchored in the air more than 1,300 feet, with elevator facilities to land people directly on the street. We expect all to be ready by the fall of 1931."

Before he became president of the Empire State Corporation, Mr. Smith was a director of the Metropolitan Life Insurance Company. He resigned from this post with the explanation:

"I did not think it ethical to be director of the Metropolitan and at the same time the head of a real estate company which was asking the Metropolitan for a large loan."

The Empire State building because of Mr. Smith will be the tallest in the world





It is well to show the package open so contents may be counted

TRADING-MARKED, "It's a Boy," and picturing a healthy Chinese baby on the label, a certain brand of condensed milk greatly outsells all rivals in the increasingly popular Chinese market.

Cash registers, advertised as assuring mathematical accuracy in all transactions, sell slimly in the Middle Flowery Kingdom. Chinese clerks consider them an insult to their honesty. Cash registers deny them the respectable privilege of making a few cents on the side and in China shortchanging the employer as well as the customer is a universal art.

Automobiles with flashy paint jobs, equipped with half a dozen green and red accessory lights and at least two horns appeal to the rich Chinese merchant. They enable him to make his wealth both seen and heard.

When advertising dried raisins, the characteristic American prefix "seedless" must be dropped. The word when translated into the Chinese language becomes "sonless" and to encourage such

What the Chinese Want in Advertising

By ROBERT H. POWERS

Former Advertising Manager, The China Weekly Review, Shanghai

THE ORIENT is offering a widening market for American goods but it is a market hedged in with pitfalls for the unwary advertiser. The peculiarities of the people's philosophy and their sense of humor have proved the downfall of many a sales campaign

a catastrophe is to bring ruin and extinction upon one's honorable house!

These are a few of the problems and peculiarities that arise when the products of the West meet the Far East and especially when Occidental advertising tries to break down Chinese sales resistance.

All his life, someone has tried to cheat the Chinese out of everything from a few coppers to his entire belongings. Experience has taught him to be cautious and skeptical. When he makes a purchase, he meticulously bounces the silver change on the counter to assure himself that it is genuine. Previous mistakes have taught him the monetary value of this gesture lest he be slipped a few worthless brass coins.

When he ships his pigs to market, he has his individual *chop* stamped on the flanks of the squealing animals to make sure they will not be switched on the way for others weighing a few pounds less.

Similarly, coolies carrying baskets of rice or other grain are prevented from scooping out a handful to bring home to their impoverished families. A huge red or black *chop* has been stamped on the surface of the grain in each basket.

When a Chinese builds a home, he constructs the roof first and then tilts the corners upward so that evil spirits

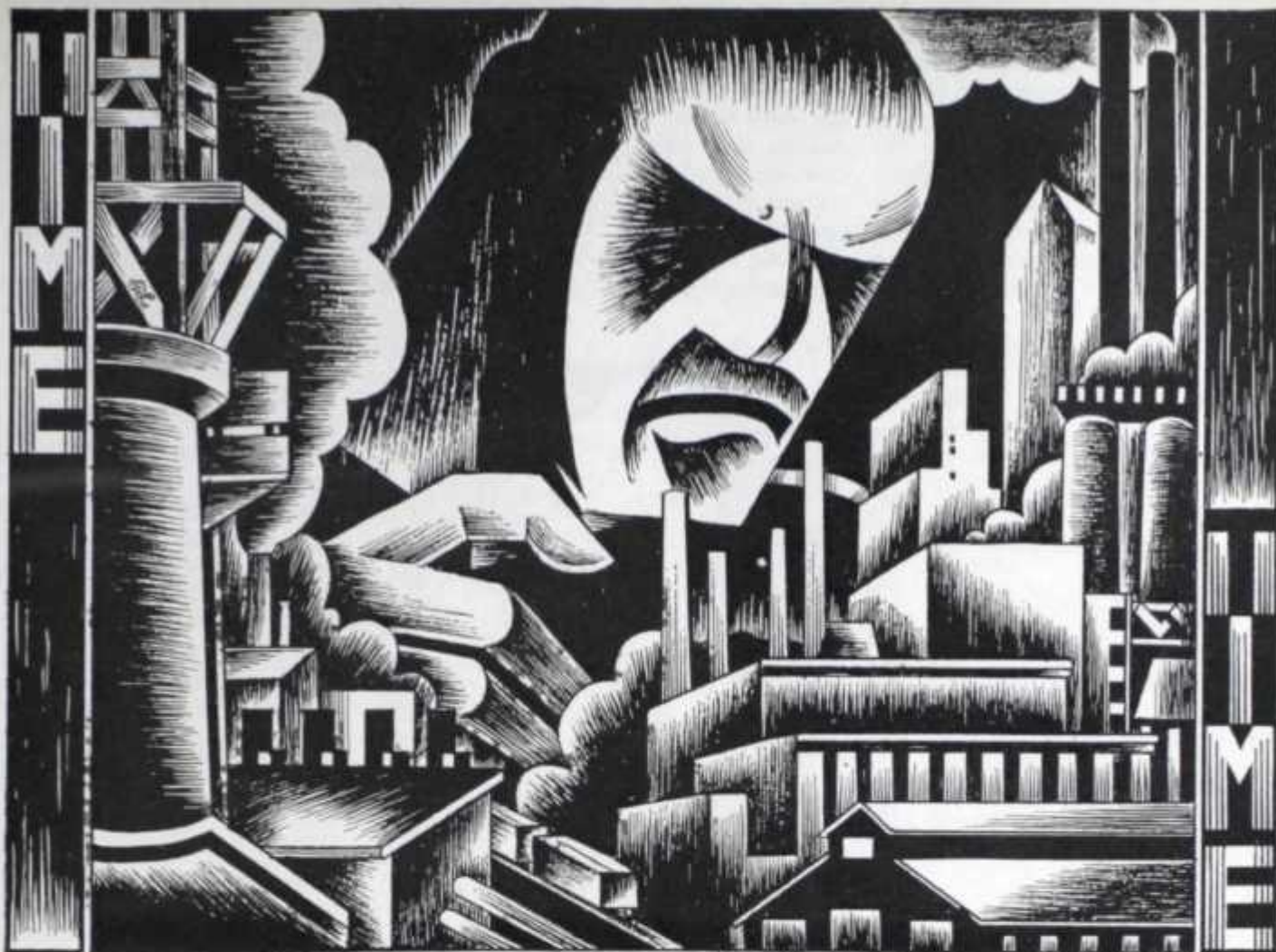
that descend upon his housetop automatically will bound back into the air. For the same discouragement of evil spirits he sets up a blank wall before the door of his house and constructs zig-zag bridges since evil spirits can travel only in straight lines and are baffled by sharp turns and curves.

With never-failing interest and excitement, I have watched Chinese coolies and clerks make their way through the dense traffic of Shanghai. They always appear to be in the height of ecstasy when a passing automobile barely misses them. While one can see a more successful meeting of two passing bodies in any of our cities, the Chinese regards the speeding automobile as an effective way to get rid of the evil spirits that forever hound his tracks.

Bewitched by evil spirits

EVIL spirits are the cause of many smash-ups on the Yangtze Kiang, since the captains of Chinese junks invariably cut across the path of ocean liners; losing quite frequently, not only the evil spirits on their trail, but the junk's rudder and the afterdeck as well.

From these characteristics it becomes at once evident that the Chinese is at best an incomprehensible individual. From an advertising standpoint, it is quite easy in this country to convince



WHERE THE CHIMNEYS LOOM LURKS TIME, THAT TOUGH OLD TESTER

Where the chimneys of industry loom black against the sky, Time, That Tough Old Tester, draws his deadliest weapons. With acids and alkalies, with shattering vibration and ceaseless strain, he here attacks the works of man with greater eagerness, to prove how long things last.

And here, amid the mightiest of Time's destructive forces, you will find Reading 5-Point Pipe . . . resisting corrosive gases and fluids . . . absorbing shock and strain in its tough, fibrous structure . . . lasting from two to five times longer than ordinary pipe under Time's severest tests!

For Time . . . That Tough Old Tester . . . must stay his hand before Reading 5-Point Pipe, whether he finds it installed above ground or below. The long generations have shown that Genuine Puddled Wrought Iron, the material of which this pipe is made, defies Time's onslaughts as does no other. That is why Reading 5-Point Pipe means enduring economy, enduring satisfaction.

READING IRON COMPANY, Reading, Pennsylvania

Use only Reading 5-Point Nipples with Reading 5-Point Pipe . . . you'll know them by the indented spiral band.

For Your Protection,
This Indented Spiral
Forever Marks



Science and Invention Have Never Found a Satisfactory Substitute for Genuine Puddled Wrought Iron

When writing to READING IRON COMPANY please mention Nation's Business

the entire family of the worthiness of a product with the same advertisement. In China, especially since the civil war, every member is thinking differently. The father may be tenaciously holding on to his ancient ideas about filial piety and the authority of tradition. The mother's thinking may be as hampered as her bound feet. The son and daughter may have been to college in the United States or Europe, and insist on carrying back the personal freedom found in the Occident.

The father may still read Confucius, the mother bow down before the Chinese gods, while sister enjoys Oscar Wilde and dancing, and brother, Henry Ford and horse racing.

Every type of customer

AMONG China's 440 million are represented every stratum of society, every type of mentality, every trait of temperament that one expects to find in a whole Europe of nations. There are Chinese whose wealth makes the purchase of a Rolls Royce an event of small importance. There are millions who possess nothing but the musty rags on their backs. Chinese with incomes of more than \$100,000 a year are not at all uncommon, but there are millions who call the day bountiful if they receive a 20-cent piece.

However, in spite of the great gap between Chinese poverty and wealth, in spite of the fact that the purchasing power of one Chinese may be in the thousands, and that of millions of others below a single dollar, nearly every Chinese possesses something—an article of clothing, a cigaret or a raisin—which came from the United States.

More and more regarding China as a great and growing market and feeling the competition there with the goods and products of Europe, Japan and Australia, American manufacturers are employing advertising as the means of meeting the competition of other lands. But the results from an advertising standpoint have often been ludicrous and not at all infrequently, disastrous.

One of the first companies to advertise in China was an American oil concern whose trade-mark was a five-pointed star. Knowing that the Chinese were great believers in trade-marks, this corporation had posters and shields made up featuring the white star. The

curious Chinese soon knew that this was the mark of a company which sold a liquid, but since the star to the Chinese was a symbol of death, this sort of advertising sold as much oil as an American corporation would sell in this country if it adopted the skull and cross-bones for a trade-mark.

China is one of the greatest cigaret consuming countries in the world. Even the coolie who lives on a few coppers a day regards a cigaret, or at least a not

mors spread with such alarming rapidity and caused such high excitement in many cities that the Government had to force the tobacco concern to print a paragraph of explanation wherever the symbol "Cow" was used.

These two samples of misdirected advertising are among the earliest mistakes of American manufacturers, but mistakes are still being made because new companies entering the Chinese market fail to understand completely the exacting translation requirements and because they fail to have authentic illustrations prepared.

An example of a defective illustration is that prepared for an American toothpaste manufacturer. Knowing that care of the teeth is an old Chinese characteristic, this manufacturer wished to create a market for his brand. Consequently, a colorful and elaborate poster was prepared in this country and shipped to the Far East. The scene portrayed a ship plying the Yangtze, but the ship instead of being a junk or even a river raft, was a Nile river boat with sharp, pointed sails.

In the background rose a pagoda indigenous to Bangkok. And a mammoth tube of toothpaste was pictured reclining on the glistening tusks of a Siamese elephant. The elephant is alone a strange animal to the majority of Chinese, but the tube of toothpaste brought the majority of Chinese to the conclusion that here was some fine paste to polish this strange animal's tusks!

Only slowly are the Chinese becoming advertising wise. They have not had the opportunity to become as merchandise sophis-

ticated as we. The explanation of a simple detail such as the operation of a pencil sharpener would offend our intelligence. To the Chinese, however, to whom many of the inventions of the Occident are as strange as the significance of the pattern in a Tientsin rug is to us, a detailed explanation often is necessary.

The grab bag idea of buying does not impress the Chinese. In trading with his own people, he has learned that the grade and weight stamp on a tin of tea does not mean that only "grade A" tea is contained in the package. For all he knows it may be filled with clover leaves and short-weighted at that. In other words, the skeptical Chinese wants to be sure that the package contains what



Flashy automobiles with accessory lights and at least two horns appeal to the wealthy

too short remnant as an essential part of his daily needs.

An American concern which planned to enter this profitable Chinese market attempted to make its name famous by means of tacking its trade-mark on telephone poles, billboards, walls of buildings, wherever the broad minded laws of the countryside or municipality permitted it to display its advertising. The Chinese symbol of this cigaret became "Cow." Alone, it had no conceivable meaning. Chinese of all classes regarded it as a mystery of national significance.

Soon rumors began to spread that this strange symbol "Cow" belonged to a great secret society whose purpose it was to overthrow the Government. Ru-

THE WEST, MEN SAY IS BUILDING UP ANOTHER GREAT NEW YORK

DESTINY IS RAISING
SAN FRANCISCO TO
A BRILLIANT PLACE!

THE very destiny that raised New York above the other cities of the world—the destiny that is made by men with things to sell—has singled out this city by the *Golden Gate*...

In the center of the whole Pacific Coast, headquarters of the West we know today, San Francisco's coming dominance will extend across the sea!

900,000,000 people in the lands around the Pacific are coming to appreciate the countless things that modern manufacture means... 900,000,000 people many of whom have never worn a shoe...

In the years just past the world's attention was turned logically to Europe. But now this newer, most potential *Pacific* market shows unmistakable signs of wide-spread enterprise. Traditionally the gateway to the nearly-billion people along the Pacific shore, San Francisco is in a position to know exactly what is going on. And San Francisco is making ready for the rôle she is to play.

There will be many claims to leadership before the great Pacific Era hits its stride, but men who know the facts that underlie the issue say San Francisco's place is most strategically secured. Today it is headquarters for the leading financial, commercial, manufacturing and transportation interests in the west. San Francisco Bay is second only to New York in value



Philip Little

of water-borne tonnage. The steamships of 118 lines dock beneath its famous hills; and three transcontinental railroads compete to serve it best. An even, temperate climate holds labor to its highest productivity. Economical electricity, oil and natural gas are further aids to industry; and surely, this region's wealth of natural resources needs no description here.

Half the people of California live within a radius of one hundred and fifty miles, while 11,000,000 people who live west of the Rocky Mountains can be served most quickly and cheaply from San Francisco—added reason for this city's present place.

The old romantic lure that has brought thousands to visit, and back again to live, becomes an ever more enticing thing. San Francisco offers able men tremendous opportunity!

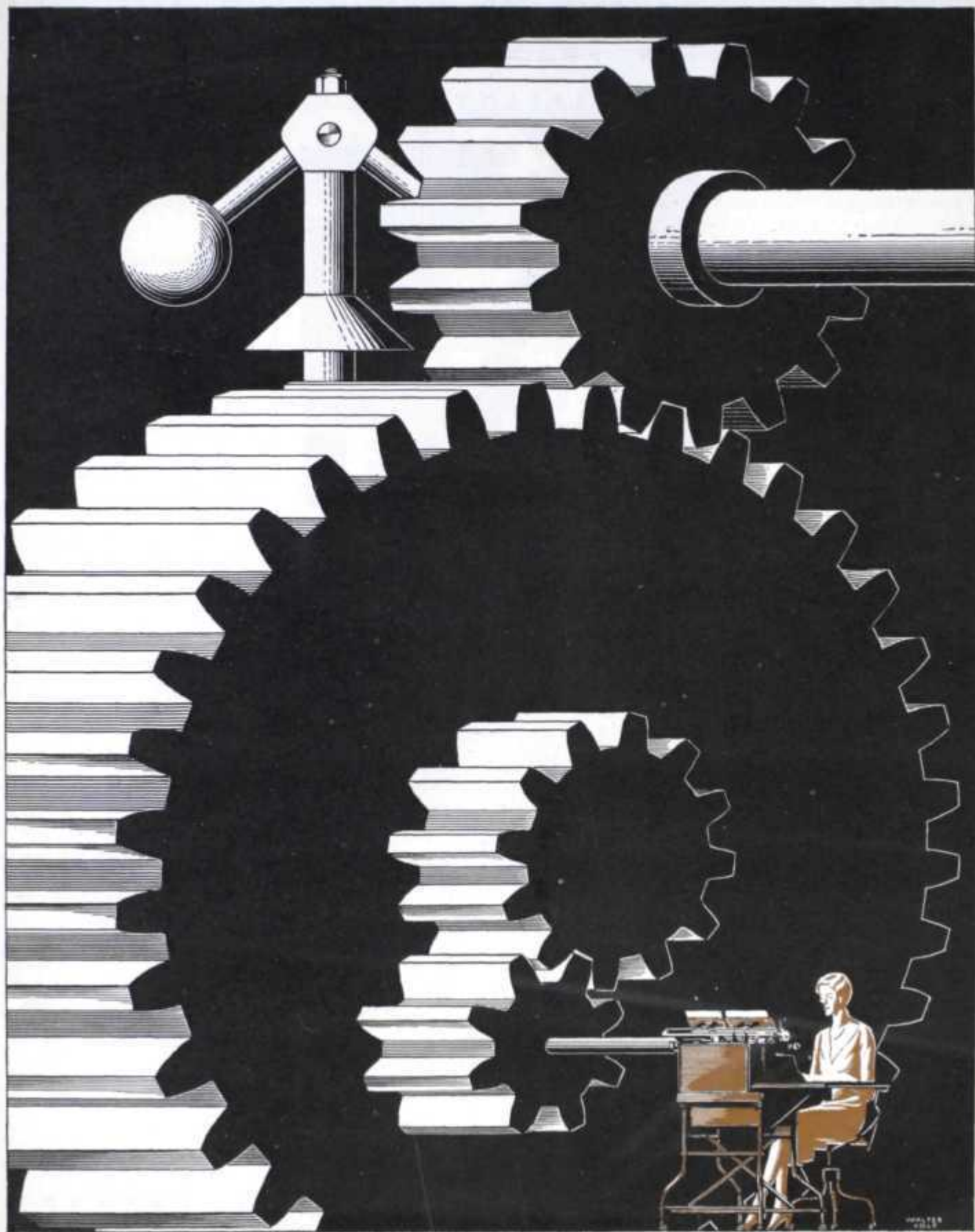
Why not come out this summer? Vacation in the varied outdoor land that San Francisco centers—and see this city for yourself. Californians Inc., 703 Market St., San Francisco, will be glad to send you two vastly interesting, free, illustrated books: "California Vacations" and "Why Manufacturers Choose San Francisco." Address Department 1305

SAN FRANCISCO

IN CALIFORNIA "WHERE LIFE IS BETTER"

When writing to CALIFORNIANS INC. please mention Nation's Business

Why Fit Your Business



When writing to REMINGTON RAND BUSINESS SERVICE

to an Accounting Machine

when you can get an Accounting Machine

fitted to your Business?

BUSINESS makes two things, goods . . . and figures. Every business man knows that the way to get goods economically is by high-speed factory machinery. And that the only way to get figures economically, completely, and on time, is by high-speed *accounting* machinery.

But the question is by *what* machine. The market is crowded with competing devices each claiming miraculous powers. How can you pick the machine that fits your business?

Remington Rand now answers that question in a new way—and the right way. Not by trying to saddle your business to any one make of accounting equipment. But by selecting from all types of accounting machinery, consolidated in Remington Rand, the mechanism that is precisely suited to your business needs.

Only Remington Rand can do this. For only Remington Rand has mobilized in one parent company the whole range of accounting equipment. If it's a "non-descriptive" machine you require, Remington Rand has 48 of them. If it's a combination typewriting and accounting machine, there are 23 at Remington Rand's disposal. Even if you require highly specialized tabulating equipment, Remington Rand has many models to choose from.

Remington Rand is Accounting Machinery's "G.H.Q." When you put your problem up to headquarters, you get unbiased advice and *custom-fitted* equipment. You save time . . . patience . . . and expensive mistakes. Remington Rand Business Service Inc., Executive Offices, Buffalo, N.Y. . . . Sales offices in all leading cities.

Remington Rand

ACCOUNTING MACHINES

DALTON . . . REMINGTON . . . POWERS

Getting New or Improved Products to Market Ahead of Competition



A Product on the Drawing Board Makes No Profit

IN DESIGNING new products or improving present models G. P. & F. pressed metal engineers can assist you, as they have thousands of other manufacturers eager to get modernized products on the market ahead of competition. During fifty years of experimental work in pressed metal fabrication these specialists have accumulated a vast and varied experience in metal forming and stamping. A suggestion from them may not only cut down your designing time but also add materially to the appearance of your product.

G. P. & F. engineers can show you, as they have others, how to reduce rejections; increase strength, reduce breakage, speed up assembly and eliminate costly machining operations. The 19-acre G. P. & F. plant is equipped with ingenious equipment for the economical production of pressed and drawn products or parts in modern metals and finishes.

A blue print or sample part will bring recommendations and quotations promptly. Send for 1930 booklet "In Harmony with Modern Progress."

GEUDER, PAESCHKE & FREY CO.

Sales Representatives in Principal Cities in All Parts of the Country

1371 St. Paul Avenue, Milwaukee, Wis.

G.P.&F.

STAMPINGS



When writing please mention Nation's Business (A-1108H)

it is said to contain. So tobacco manufacturers, when they advertise their cigarettes to the Chinese people, find it best to exhibit the package open at the end and show the ten or 20 cigarettes so clearly that the Chinese reader can count them and check the actual contents with the picture on the billboard or the newspaper.

Advertising is difficult

NATURALLY, advertising to the Chinese populace is not easy. The successful advertiser must have a thorough understanding of the people and the language. Every detail comes under the closest scrutiny, every uncertainty is confusing, and the Chinese, quick to see the humorous side, readily ridicule anything that offers possibilities. This same Chinese sense of humor and love of comedy has made Charlie Chaplin and Harold Lloyd as much loved in China as in this country. Incidentally, the motion picture is a great force also in China in furthering the "Americanization process." Motion pictures stimulate the demand for all sorts of American products from automobiles, jazz music and lip sticks to cigarettes, typewriters and straw hats.

Thousands of young Chinese men and women, educated in American colleges and universities, have returned to apply American methods in business and to adopt American methods of living. At present, a great number of China's men of affairs received their schooling in the United States. They, as well as the revered Dr. Sun Yat-sen who

was born in Honolulu, are patterning their government and industries after those of this country. Consequently, as the returned students increase in number, as the movement toward westernization gains greater headway, the demand for the products and merchandise of the United States is sure to increase.

In no other country is advertising so essential as in China. In no country can advertising reap such great rewards or, if improperly applied, result in such a tremendous failure. American manufacturers in the Chinese market find advertising necessary because their products are in competition not only with those of other American manufacturers, but with those of England, France, Germany, in fact with all European manufacturers and with those of nearby Japan as well.

Large secondary circulation

ADVERTISING to the Chinese is effective, because close buying is an Oriental art and a careful reading of all printed matter, close to a religion. The average copy of a daily newspaper is read by as many as 50 Chinese. It is often rented out to a reader for so many coppers per hour. If an advertisement is carelessly prepared, if the illustration is indistinct or unintelligible, it represents so much money wasted.

One Chinese trait that runs true in all classes is the faithfulness to a product or merchandise that has been found satisfactory. Many Chinese will continue to buy a product of a make they



They often lose the junk's rudder and after deck as well as the evil spirits on their trail

have found to be good, rather than to take a chance on that of a competitor even at a lower price. It is therefore of prime importance for a manufacturer to keep his message consistently before the Chinese people in a way that will make it easy for them to identify his product and to be impressed by its quality.

One of the chief dangers the American manufacturer encounters in the Chinese market is the readiness with which unscrupulous Chinese imitate his products and sell them at a lower price. An example of such a predicament is presented by a perfume manufacturer who wished to maintain his trade name in advertising to the Chinese. Very fond of perfume, the Chinese began to purchase this particular brand, but they insisted on calling it "Gold Cap" perfume. The perfume vials had ornamental, shiny brass caps.

Imitations sell well

THE Chinese imitator put up an inferior perfume, called it "Gold Cap," and soon cut heavily into the sale of the American brand. A soap company had a similar experience, only in this case the imitation product succeeded in outselling the genuine product by more than a million cakes a year!

The time is past, in China, when the chief use of billboards is as scaffolds for the hanging of deserting Chinese soldiers. China with its teeming millions is proving a growing and potential market. While there are millions so poor as to be able to buy only a single cigaret, a sardine or a dozen raisins, they invariably wear cotton clothes which originated in the United States.

But the list of salable products from the United States is ever increasing. Walking along Nanking Road, Shanghai's most famous shopping street, I made a list of 125 manufactured articles that came from the United States. Typewriters, chewing gum, silk hosiery, phonographs, canned heat, flashlights, toilet articles, cameras, hats, motorcycles, spectacles, fountain pens.

Thus less of a curiosity and more of a rapidly expanding market, China, in fact the entire Far East, is taking the business eye of the American manufacturer. But rather than the allegorical, the sophisticated advertising that is in vogue in the United States, the Chinese demands advertising that is educational, simple and straight to the point.

The advertising program that wins the Harvard Award and that is praised from janitor to copy chief, may not be advertising to the Chinese reader. It may be only a curiosity or a rare joke.

ROBERTSON STRIKES AT COSTS



You will find Robertson Protected Metal on the roof of the pier sheds of the Southern Pacific Railroad at Oakland, Calif. At certain periods of the day, more human traffic is said to flow through this terminal than through any similar structure in the world.

FROM THE DOCKS AT

HONGKONG TO THE

PIER SHEDS AT FRISCO

If you have dipped into that vast potential treasure house... export trade... there is a great likelihood that some of the goods you have sent to far-off ports has lain beneath a sheltering roof of Robertson Protected Metal (RPM) on some sun-baked tropical pier or some snow-bound northern dock.

If you have done much globe-trotting yourself, you have probably started or ended some of your voyages beneath an RPM Roof and within RPM walls.

Look at the dock buildings some time when you are at seaboard. And if you wonder at seeing the self-same material in the roofs and sidewalls at an obscure dock in Java and on a bustling pier in Maine, at some

port in Africa and again in Japan... well, you're a business man... you know things like that do not just happen... and it can't be all salesmanship.

Conditions are hard on ordinary materials at tidewater... salt air and sulphurous locomotive smoke, coal dust and everlasting moisture. RPM's ability to stand just such extraordinary conditions has carried it into seaports all over the world.

RPM has served just as well on industrial buildings. If you are planning any building operations, write and we will tell you just how and who RPM has served in your field.

H. H. ROBERTSON CO.
Pittsburgh, Pa.

Copyright 1930 H. H. Robertson Company

ROBERTSON

WORLD



WIDE

BUILDING SERVICE





The weather man on the job with a sunshine recorder

Posting the Airman's Detour Signs

By ANDREW R. BOONE

GENERAL steps have been taken to report the weather for aviation throughout the United States. In the three years since the Air Commerce Act was passed, considerable progress has been achieved toward making commercial air travel safe, economical and efficient.

The unknown quantity, weather, continues to be less known than some of the other factors making for safe travel in the air. Today adverse weather conditions cause postponement of flying schedules, but do not necessarily make flying unsafe. The success of the California weather reporting service, made possible by money from the Guggenheim Fund for the Promotion of Aeronautics, has led other organizations to adopt a similar practice.

The Weather Bureau has shown great interest in developing a national reporting system, the general plan for which embraces three principal features:

Frequent reports showing current conditions both in the surface and upper air.

Short-range forecasts giving an out-

look for from one to five or six hours, depending on the scheduled duration of any flight.

General weather forecasts for the next 12 to 14 hours.

Experience of meteorologists and others in developing the 35 station system in California has demonstrated that a service to cover each airway thoroughly must be intensive. As commercial lines develop and begin night flying, a complete 24-hour service will be required. Even though devices to aid flying at night and under unfavorable weather conditions are being developed, a complete weather service will be no less necessary.

Weather information is vital

THE importance of such a service cannot be overemphasized. When a pilot takes off for a destination several hundred miles distant, he wants to know:

What is the weather now at the terminal of the trip?

- **WHEN** you make a journey by air, the chances are you will fly only through good weather. This is not because the pilot has learned to control the weather, but because he has been told how to out-guess it. You will be surprised to learn how much your safety in the air depends on the weather man who mapped the course over which you flew

What is the weather now along the route?

What will be the change, if any, during the flight?

The Weather Bureau is rapidly expanding its plans to answer these questions.

"Since 1926," explains Willis Ray Gregg, in charge of the Weather Bureau's aerological work, "a service in greater or less detail depending on the amount of air traffic has been organized along all the commercial airways that have been recognized by the Department of Commerce. This service is, of course, an extension of that already existing for the general public, which consists of two daily reports from all parts of the country and forecasts based on

No FUNDAMENTAL CHANGES

But tremendously increased SUITABILITY

FOR 1930: 11 basic models—33 chassis—118 different types. Five new capacity ranges covered—15 chassis, and 43 types, added.

Every truck job that exists today, finds here a vehicle exactly suited and soundly designed to handle it with top efficiency.

It is a line of marvelously balanced 6-cylinder trucks. Every model has the basic balance of strength to power and speed that *saves money, increases work-capacity per day, and earns money for its owner.*

Fundamentals that have made General Motors Trucks real

profit-earners for tens of thousands of owners are unchanged.

The trucks, in general, are even huskier than in the past; *bigger values!*

Engines in medium-duty and heavy-duty models develop greater power, speed and flexibility. These engines are as famous for *economy* as for speed and power.

Four-wheel truck brakes of

phenomenal effectiveness and simplicity have been perfected by a year of tests. An important development in steering adds to safety and driving-ease.

Cabs are 'way beyond anything ever before offered in trucks, for looks, drivers' comfort and efficiency.

Such values would be impossible but for great engineering and manufacturing leadership.

Find out what this line holds for you—in savings, increased earnings, and expanded business opportunity. *You'll find it a profitable buying precaution!*

Time payments financed at lowest available rates through our own Yellow Mfg. Acceptance Corporation.

GENERAL MOTORS TRUCK COMPANY
Pontiac, Michigan (Subsidiary of
Yellow Truck & Coach Mfg. Company)... GENERAL MOTORS TRUCKS,
... YELLOW CABS ... COACHES ...

Factory Branches, Distributors, Dealers—in 1500 principal cities and towns



\$960 1 1/2 Ton
Range

Model T-19A: Straight Rating—8,500 pounds; 130" wheel base; 7' 6" body; price, chassis only, f.o.b. Pontiac, Michigan

1/2 TON 3/4 TON 1 TON 1 1/2 TON 1 3/4 TON 2 TON 2 1/2 TON 3 TON 3 1/2 TON 4 TON 5 TON UP TO 15 TON
TRACTORS

THE 1930 "YARDSTICK" OF REAL TRUCK VALUES

GENERAL MOTORS TRUCKS

them. These forecasts cover periods of 12 to 36 hours.

"Although that service was found to be too general to suit the needs of the fliers, it did provide the groundwork or parent organization, and as such was capable of expansion at comparatively little additional cost. One of the first acts in making this expansion was to increase the number of what we may call upper air stations, where winds at flying levels are studied.

Consider ground visibility

"INFORMATION regarding upper wind direction and velocity is not as vital as similar information concerning surface conditions. This latter information determines whether any flight can be made. Fog, low clouds, excessive rain, sleet or snow, severe thunderstorms and poor visibility make flying hazardous and at times impracticable. Although a pilot can fly 'blind' in bad weather, he can't land 'blind' with safety."

There are today approximately 150 weather stations from which reports are available when needed.

Fliers want up-to-the-minute reports and, where conditions change rapidly, these reports must be gathered from outlying stations and rebroadcast. It is



At weather stations like this meteorologists are making air travel safe for the public

quite likely that in a relatively short time fliers in New York will be able to obtain a complete, detailed routine report of weather conditions, both at the surface and in the upper airs, from the Atlantic seaboard to the Pacific.

No one denies that today we have good pilots, good equipment, good land-

ing fields and, generally, good weather for flying. The first three are taken for granted. Good weather is a certainty in the sense that commercial travelers need fly only when conditions are satisfactory. This can be determined through proper weather reports.

"The weather factor," says Thomas R. Reed, assistant forecaster at San Francisco, and himself a pilot, "has had a somewhat uncertain rating except among experienced pilots. The newcomer, whether a pilot or operator, has much to learn before he can say with authority what constitutes the dividing line between safe and unsafe flying weather.

"Many aerial disasters might have been avoided had the operators applied the weather factor properly, or had adequate weather

communications been provided. It is reasonable then that the skilled and experienced technicians directing the Guggenheim Fund should have devoted considerable money to developing a model airway weather communication system."

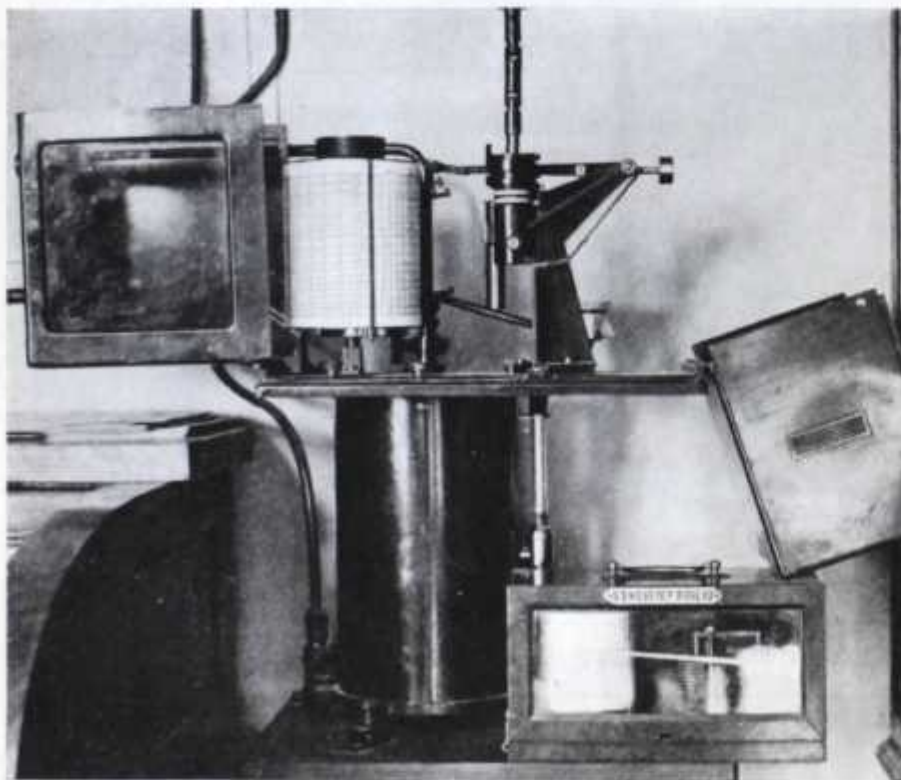
As a matter of fact, it seems inevitable that they should do so. Just why they should have chosen a California airway as the laboratory where weather reporting methods should be tested may not seem clear at first. An examination reveals adequate reason, however.

They go around bad weather

ALL kinds of weather found within the United States are encountered at some season between Los Angeles and San Francisco. Here planes fly alternately over high mountains and level valleys. As far as weather is concerned, one can find rain, fog, high winds, snow, sleet or cyclonic disturbances of varying intensity.

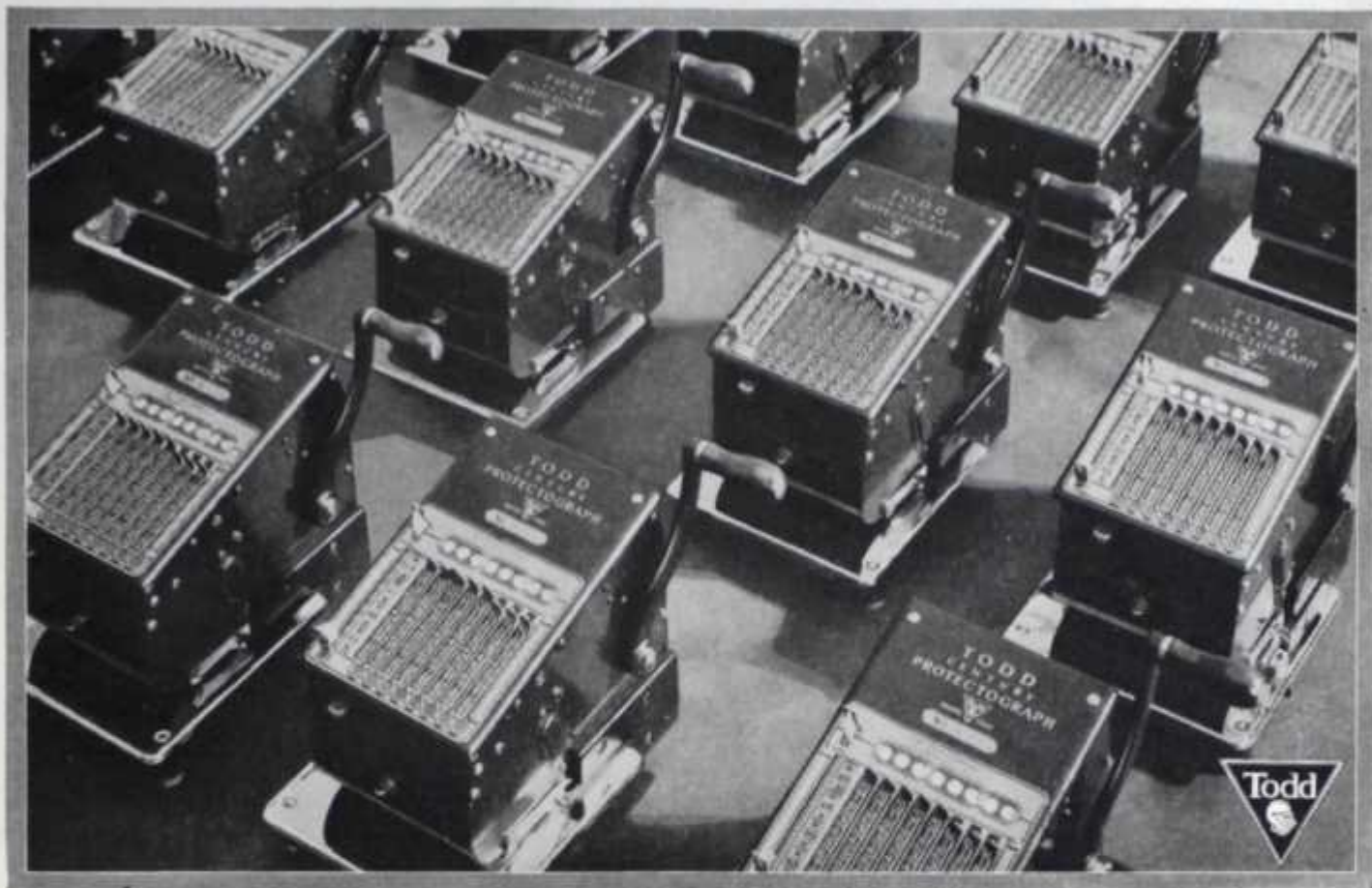
Air commerce in California continues while some of these conditions exist—but, forewarned through his weather report, the pilot selects a different route and another altitude for a particular flight. If the whole of California is blanketed by storm, paying passengers do not ride.

Mountains and moisture combine to make the most formidable hazard known to aviation. Over the California mountains the system of weather communica-



The anemograph keeps a permanent record of wind velocity and direction, information that plays its part in mapping air lines

"SEND US FIFTY CENTURYS!"



WHEN a great corporation, after careful study, discards check writers of various makes in order to standardize upon the Century Protectograph, its reasons for doing so must be of interest to other business men. Those reasons—performance, durability, efficient service—are explained in the letter below, reprinted just as it was received at the Chicago office of The Todd Company.

Todd Sales Company, Chicago, Illinois

Gentlemen: We are handing your Mr. A. A. Meuser, an order for fifty (50) Century Model check writers to be delivered to our various subsidiaries as per list attached.

After careful study, we have decided to standardize upon your machine because of the neat appearance of its imprint and because, after test, we are satisfied that it will stand up best under our exacting work.

Our decision was influenced likewise, by the efficient service which we have experienced from your company.

Yours very truly,
CENTRAL PUBLIC SERVICE CORPORATION
W. S. McCULLOUGH, Treasurer

Interestingly enough, this initial order for fifty machines was followed a little later by another for ten!

See for yourself the speed, ease of operation and versatility that distinguish the Century from all other check writers. Phone the local Todd office for a personal demonstration. Or mail the convenient coupon below directly to us. The Todd Company. (Est. 1899.) *Protectograph Division*, Rochester, N. Y. *Sole makers of the Protectograph, Super-Safety Checks and Todd Greenbac Checks.*

5-30

THE TODD COMPANY, *Protectograph Division*
1130 University Avenue, Rochester, N. Y.

Please send me further information about the new Century Protectograph.

Name _____

Address _____

Business _____

TODD SYSTEM OF CHECK PROTECTION

tion now protecting flying finds its acid test.

The lowest altitude of the mountain crossing north of Los Angeles is more than twice as high as the highest altitude reached by transport planes between New York and Chicago. So-called "blind" flying, made possible by instruments which enable the pilot to fly over mountains and through fog, is never permitted on commercial airways. Pilots fly over, under or around these conditions. This is known as "contour" flying.

Weather bureaus give great aid

THE California service and that operated by the Weather Bureau and the Department of Commerce between Hadley Airport and Cleveland have proved one thing—regular reports from a close network of stations both off and on airways are necessary for safe and

weather maps, bulletins and general forecasts. It is hoped that the effectiveness of this system soon will be greatly increased by having these reports made four times instead of only twice daily.

Supplementary reports at three-hour intervals from comparatively small areas or secondary nets, each covering a section of an airway but synchronizing with present reports, are an important element in the plan. At present the airway service, with exceptions, gives only occasional reports timed to fit all scheduled flights from points on the airways themselves.

These reports, with increasing traffic, do not meet the need satisfactorily, however, and it has been found that bad weather from points off the airway frequently creeps up without advance warning. Thus the Weather Bureau seeks to locate the weather at its source. The primary purpose of the three-hour

similar system. Even with the best possible weather reporting, a pilot sometimes will start out with good weather prevailing and expected, but will encounter unanticipated fog at his destination. Here radio supplements weather service and instructs him whether to turn back or land at some intermediate point.

The Weather Bureau recognizes the need for a prompt and dependable system of communication for collecting reports at important centers. This accomplished, information must be speedily communicated at any point. At present both telephone and telegraph wires are used for this.

Generally, stations will be about 100 miles apart for the three-hour reports.

The value to business of such a national service becomes readily apparent. Benefits will accrue not only to aviation but to other industrial and commercial activities. The experience of a California photographer is in point. He was engaged to make certain aerial photographs for the State Highway Commission. Without seeking advice he went aloft to an altitude of 10,000 feet and his pilot sought to fly a straight line in a heavy cross wind. Naturally he came down without pictures.

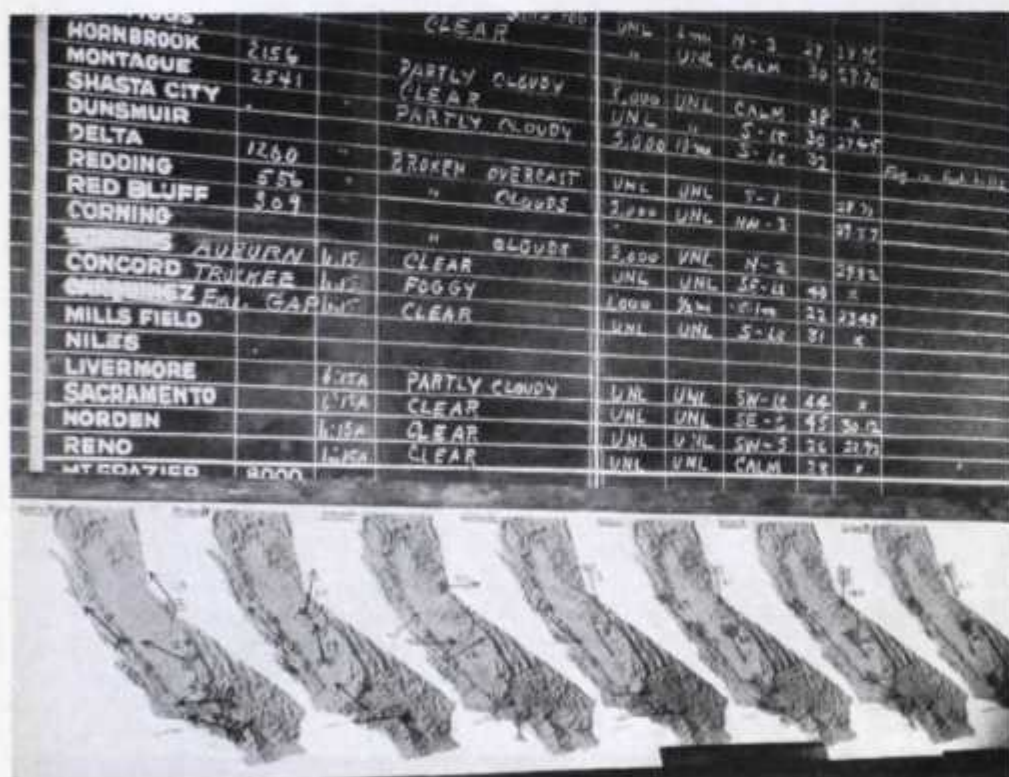
Reports are practical

LATER the photographer inquired at the Weather Bureau and learned not only that he should have avoided the flight on the day he tried it but that by waiting 24 hours he could have flown the job in relatively still air.

While meteorologists and experts cannot change weather conditions, information developed by these men will enable air-transport operators and pilots to anticipate conditions.

Visibility and wind are the primary concerns of pilots, the former because it may bring actual danger to their cargo and the latter because it may carry them off their course if direction and speed are unknown. This is an economic and not a safety consideration.

Commercial aviation depends for progress more upon detail and up-to-the-minute weather reporting than on any other single aid. Equipment has been sufficiently perfected. It now is up to the weather man.



This board in a California aviation office gives pilots a clear picture of conditions on their routes before they take to the air

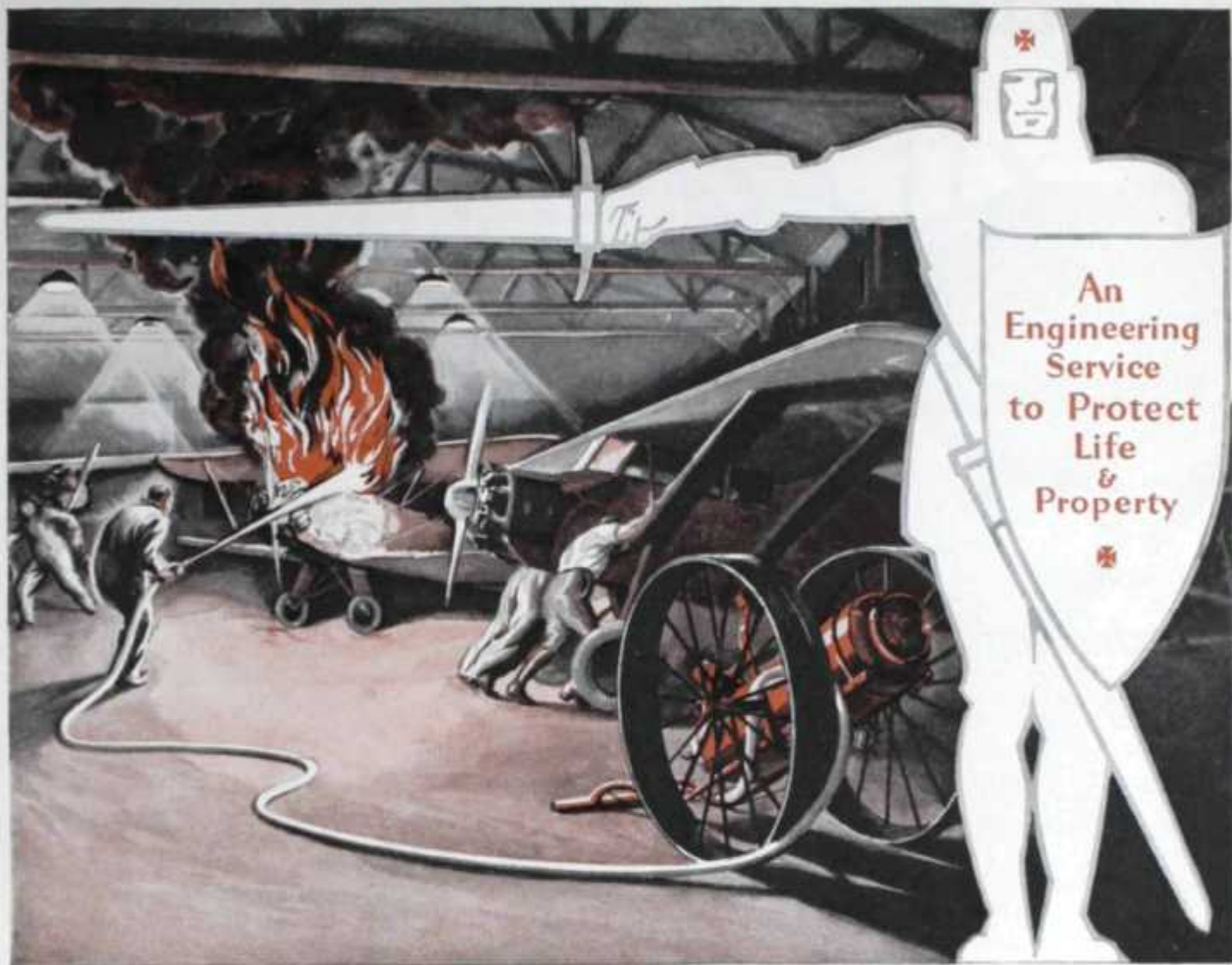
efficient operation of airways. From experience on the two lines, the Weather Bureau has outlined a program which it expects to put rapidly into organization. The plan is important to business because it will help guarantee airway expansion and consequently speed up transportation with great saving in time and money.

The fundamental feature of this program is the country-wide twice-daily weather reports on which are based the

system of reports is to make possible preparation and issuance of short-range airways forecasts.

Hourly reports of weather and landing conditions to be collected from points on the airways and broadcast to planes in the air are important to pilots. The Boeing Systems have perfected radio devices which enable pilots to talk from plane to plane and from plane to ground over distances up to 200 miles. The Western Air Express is adopting a

FIRE — AN INCIDENT OR A DISASTER ?



Airplanes - airports - industry's new tools - *challenged by FIRE!*

Industry has discovered the new world of the sky. Industry's new argosies wing triumphantly across the continents in 20 hours. . . . When Industry's new tools taxi up to airports, it is vital that they be protected against Fire! Fires at airports can be incidents . . . or disasters. A few minutes' work with the right extinguishing device, correctly placed for instant use . . . will make fire an incident.

Fire threatens not only aviation—but every business, every building. To make fire an incident rather

than a disaster, protection must be based on facts—not guesswork. La France and Foamite Service can help you determine these facts. It can assure you of complete and adequate protection against fire.

This Service, symbolized by the Crusader, starts with a detailed survey of the fire hazards of your property by our trained fire protection engineers. Based on this survey, we will submit complete, written, unbiased recommendations for safeguarding your business. Unbiased—for this company makes every rec-

ognized type of fire-extinguishing equipment—from one-quart hand extinguishers to the largest motor driven fire apparatus.

Write for a fire protection engineer to call . . . without obligation.

AMERICAN-LA FRANCE AND FOAMITE CORPORATION, DEPT. D65, ELMIRA, N. Y.

Offices in all principal cities



"Correct Protection Against Fire" is a booklet describing our service and protection. A free copy will be sent on request.



LA FRANCE AND FOAMITE PROTECTION

AN ENGINEERING SERVICE

AGAINST FIRE

The Patrol



Watchman's Clock

In the Detex Patrol, watchclock protection is brought to its highest perfection.

Detex Patrol is the only watchman's clock that will record an unlimited number of stations. The entire recording mechanism is in the station—the clock is merely the record carrier.

Stations may be added or changed without changing the clock in any way.

Any number of watchmen may record at the same station.

Station repairs can be made without sending in the clock—the schedule is not interrupted.

Send the coupon below for Patrol Booklet

DETEX WATCHCLOCK CORPORATION

4153 Ravenswood Avenue, Chicago, Ill.
29 Beach St., Boston 80 Varick St., N.Y.
Room 800, 116 Marietta St., Atlanta

Manufacturing

NEWMAN • ALERT • PATROL
ECO WATCHMAN'S CLOCKS

Approved by the Underwriters' Laboratories, Inc.,
and the Factory Mutuals Laboratory

DETEX WATCHCLOCK CORP.
4153 Ravenswood Ave., Chicago, Ill.

Send me information on Detex Watchman's Clocks

Name.....

Address.....

City..... State.....

DETEX

Representatives in all large cities in America and Abroad

When writing please mention Nation's Business

Why Fear for Future Generations?

(Continued from page 39)

usually sprung from some contest over natural resources, some fear of commercial monopoly. If from the laboratory can come a higher degree of self-sufficiency for the nations, then why quarrel over natural resources?

One after another, world monopolies have been jarred or actually shattered through research. The Far East no longer controls indigo or camphor. The Chilean nitrate monopoly is broken.

Coal tar products, that romantic list of necessities, are now made in many countries. Long since the Sicilian hold on sulfur was shaken loose, and only a few strategic minerals remain to compose a list of materials now regarded as necessary which are to be found in restricted locations. As the world's living standards are raised still another of the causes of war will become diminished.

Less disease and longer life

AS FOR pestilence, reports from many sources indicate a diminution in these dread scourges. International cooperation seeks to watch well known sources of epidemics that they may be stamped out before they can start. True, we are far from ridding the world of disease and many believe that as those diseases now known are conquered we shall become acquainted with new ones equally difficult. But the expectancy of life has been extended, thanks to sanitation, education, and medical progress, while

today greater resources in trained men, scientific equipment, and money are devoted to research in these subjects than at any other time in history. There is reason to expect that the future will find life longer and more enjoyable than it is in our generation, just as we believe this generation has made substantial gains over that which preceded it. The hope is that the period of useful and productive life may be increased. It will come about because of cooperation between the sciences.

If anyone were wise enough to know what the future will need, there might be firmer ground for the fear that the need would not be met. As it is, we cannot tell just what will be desired. When petroleum refiners were striving to produce the maximum of kerosene and the minimum of gasoline, who could have predicted that in our day the exact reverse would be desirable?

When the great fermenters at Terre Haute were installed to produce the maximum of acetone for powder manufacture who could have foretold that the by-product of the day, butanol, would now be the desirable product because of lacquers with acetone the more difficult product to place? Failure to know the needs of the future is no excuse for a waste of natural resources, but it is a potent argument against fear.

Science may not always hold the key to the situation, but thus far its performance has justified our faith and banished our fears for the future.

Women Stockholders Rapidly Increase

WOMEN yearly are increasing their grip on the wealth of the country. More and more shares of stock of leading railroad, utility and industrial corporations are finding their ways into their strong boxes. Well over 50 per cent and, in many instances, as high as 60 per cent of such stocks lie in their hands to-day, says a recent statement from the publishers of the Encyclopedia Americana. The total investment of the ladies is estimated to be in excess of \$60,000,000,000.

Say the publishers:

"The wealth of our country controlled by its women is increasing yearly. This

is due not so much to the increasing interest of women in financial affairs as it is to the fact that women are usually the recipients of the large fortunes built up by our enterprising business men and of their life insurance.

"Corporations which come directly in contact with the daily lives of women, such as chain stores, department stores, light, power and gas companies show, in most instances, a continual gain in the percentage of woman stockholders over men. Women are not so inclined to be interested in oil companies, but show a decided preference for the shares of our premier railroads."

THE BOOK OF KANSAS CITY OPPORTUNITIES

These opportunities for production in Kansas City await those manufacturers who look now for existing markets.

Food and Kindred Products:
 BUTTER OILS
 BAKING POWDER
 PREPARATIONS
 CONCENTRATES
 (See Supplement)
 VEGETABLES
 SHORTENING
 CORN STARCH, RAW
 COLORED
 COTTON SEED
 PRODUCTS

Textiles and Textile Products:
 BURLAP
 SATINETS CLOTH
 BRADYCLOTH
 CLOTHS
 COTTON FABRIC
 COTTON CLOTH
 DUCK, STIFFED
 DENIMS
 DRILLS
 DE APLY MATERIALS
 FABRICATED
 FIBRINGS
 FRINGS
 AUTO BAGS
 NETS
 ORGANDIES
 ROPS
 SHIRTINGS

Iron and Steel Products:
 (See including subsectors)
 IRONING BOARDS, STEEL
 KIRKING FRAMES
 CHAINS
 ROUNDRY SUPPLIES
 PLUMB RECOVERERS
 FITTINGS, CAST IRON
 FITTINGS, IRON
 FOLDING, HEAVY
 GALVANIZED PIPE
 HEATING, IRON
 KEY BLANKS
 LOCKS
 PIPE, CAST IRON
 STOVE FIXTURES
 VALVES
 CASTINGS
 MALLEABLE

Lumber and Wood Products:
 MARREL STAVES
 BACON WHIDLES
 FRAMES, IRON
 HOOPS, WOOD
 PHELIATION
 BUTTER TUBS
 BOTTLE CAGES

Musical Instruments:
 BAND INSTRUMENTS
 PIANOGRAPHS

Leather and Rubber Products:
 ARTIFICIAL LEATHER
 LEATHER TANNING
 SET LATHERS
 BOOTS AND SHOES

Chemical and Allied Lines:
 ALCOHOL, GRAIN
 ALCOHOL
 DRUGS, LIQUID
 CHEMICALS, HEAVY
 DRUGS, CRUDE
 DYES
 EXTRACTS
 GLUE, ANIMAL
 GLUE, VEGETABLE

Stone, Clay and Glass Products:
 GLASSWARE
 GLASS PLATE

Metals and Metal Products:
 (See also subsectors)
 BUTTING, CONCRETE
 BUTTING, WOODS
 BRASS STAMPING
 ELECTRIC FUTURE
 PARTS
 JEWELRY FINDINGS
 LAMP, PRODUCE
 POLISHING SUPPLIES
 ZINC PRODUCTS
 ZINC, HARDWARE

Machinery and Electrical Apparatus:
 ALUMINUM
 CORNERS
 BUILDINGS, MOONIE
 BEARING, ROLLER
 COCKERS
 VALVES
 ELECTRICAL
 EQUIPMENT AND
 APPLIANCES

Airplanes and Accessories:
 AIRPLANE
 AIRPLANE
 INSTRUMENTS
 AIRPLANE, MOTORS
 AIRPLANE, TUBES

Miscellaneous:
 BUTTER PARTS
 METAL
 BUTTING
 DRAFTING
 INSTRUMENTS
 EXCELLENCE

Farm Equipment:
 TOOLS
 TRACTORS
 STAMPAID FARM
 EQUIPMENT
 ROAD, MACHINERY

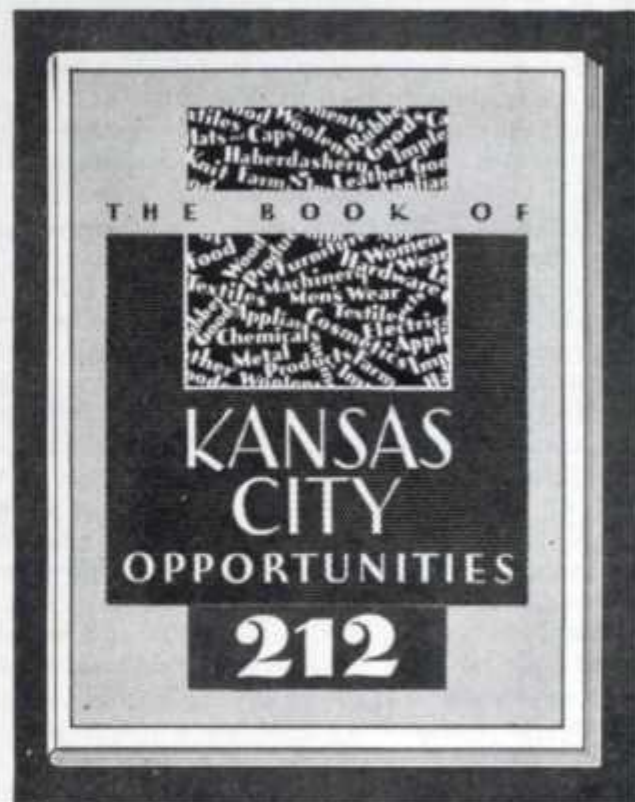
Below the line are products not included in the list above.

...an Invitation
to the Nation's
Industries

JUST published by the Industrial Department of the Chamber of Commerce is a significant booklet that is having wide distribution to executives of the nation's industries.

It is "The Book of Kansas City Opportunities," a concise publication setting forth the 212 manufacturing opportunities that provide an existing market for local production. These 212 products Kansas City buys today from distant markets... yet they can be manufactured profitably here.

Kansas City grows steadily, soundly. Within the last year the city has had



its greatest industrial growth in new industries and in the expansion of existing producers. Yet the city is just on the threshold of industrial opportunity. Study care-

fully this market of 21 million people, 15 million of whom are reached at more economical transportation cost than from any other metropolis. Send for booklet today.

INDUSTRIAL COMMITTEE OF THE CHAMBER OF COMMERCE

Economical transportation is important. You can reach 15 million people at lower freight cost from Kansas City than from any other metropolis.



KANSAS CITY, MISSOURI

I am interested in this industry:

and I attach the coupon to my letterhead as assurance of my interest, without obligation, of course.

Name _____

Address _____

1738

The New Cooperation in Industry

By H. H. RICE

Assistant to the President, General Motors Corporation

MUCH has been written in the past few years about the new competition in industry.

It has been pointed out that as our knowledge grows, the field of natural monopolies tends to narrow. A product which is essential today may have a dozen substitutes tomorrow. Consequently, the contest for business is no longer between individuals and companies in the same industry but tends to engage other industries as well.

The consumer is not so much interested in whether his goods arrive by water, highway or rail, as he is in the service rendered. The fuel with which he heats his house is not so important as is the question of comfort. Few will insist on any particular type of building material if some other is advanced which will be durable and artistic.

But if it is true that we are facing a new competition, it is equally true that there is growing up a new spirit of cooperation.

The mere fact that industry is no longer self-contained, impels us to contact with our neighbors as a sheer matter of business. As research and engineering skill break down the walls which have segregated us in the past, we find new alliances growing up, new areas of mutual self-interest. Out of these shifts is born the new cooperation.

A vital factor in industry

IN THE light of these facts, the manufacture and distribution of motor vehicles becomes a matter of two-fold importance to all others in industry.

The first interest other industries have in motor vehicles is naturally in the volume of orders which will result to those houses whose varied products are used in the manufacture of the vehicles themselves.

The second interest rests upon the fundamental fact not always so generally understood, that once manufactured and sold, the motor vehicle does not disappear from the economic zone but becomes an active force in production as an instrument of transportation.

For this reason, then, the question of

its availability for service is important to every business man—a question that depends for its proper answer largely upon improved highways. And it is in this field of highway development that the new cooperation among industries is most evident.

Not many years ago, as an example, the use of automobiles in Peru was limited to a few miles of city streets and adjacent country roads.

Peru's new long highway

NOT LONG ago, the Department of Commerce made public a statement from our ambassador at Lima, calling attention to the fact that, through the construction of a road over a difficult pass, a highway has now been opened for service in dry weather for the entire length of Peru, some 1,300 miles.

The effect this highway will have on motor travel in Peru is of course evident, but that effect will be but incidental to a much more significant change in the economic development not alone of Peru but of its neighbors.

"Both the Government and the people of Peru," the statement adds, "are keenly interested in the project for a Pan American Highway, an important link of which will traverse this country."

It is not necessary to call on the imagination to visualize the changes that will take place as this new road opens the gateways of trade and social intercourse of these towns. All of us have innumerable illustrations right under our noses of the new conditions brought about by motor cars and good roads.

The basic fact is that trade rests on transportation and only as transportation facilities are made available can nations develop their natural resources.

Recently, a highway between Armenia, the present terminus of the Pacific railroad in Colombia, and Ibagué, the railroad head leading to Bogotá, was opened to traffic. The report of the opening added:

"To the traveler and salesman the new highway is of immediate benefit as it is now possible to make the trip between Buenaventura and Bogotá in three days in comfort, the tiresome horseback journey of two days over the

mountains being eliminated." Here is depicted the opening of a new era of trade in one of the richest countries of the world.

Not a day passes but that some similar story flashes across the screen of world events. In China and India, Australia and Africa, in all of the out-of-the-way places where commerce has its outposts, there will be found engineers poring over blueprints or supervising gangs at work upon the roads.

Behind them come the forces of capital, production and distribution searching out new fields for that employment which inevitably paves the way for new standards of living which are at once the origin and the result of this new cooperation of ours.

A matter of public education

BUT this matter of highway development, in which is so clearly illustrated this new cooperation, is a public function. No community or nation will assess its people for road improvement until the economic and social effects are clearly evaluated. Our own experience has demonstrated that the pioneering stages are a slow process of education.

Only when the business man catches the full sense of his relation to transportation and its effect upon his business, does progress become a surety.

In the United States road building was an inconsequential affair until motor vehicles became a dynamic agency in individual transportation. Today, world road building is emerging as a tremendous force in the expansion of commerce because industry has recognized the road and the motor car as indispensable.

What is true in this field of human activity, I think, finds its parallel in other spheres.

The first necessity of modern industry is an understanding of its own problems.

The second is an understanding of the problems of other industries and the underlying relationships which bind all industry together.

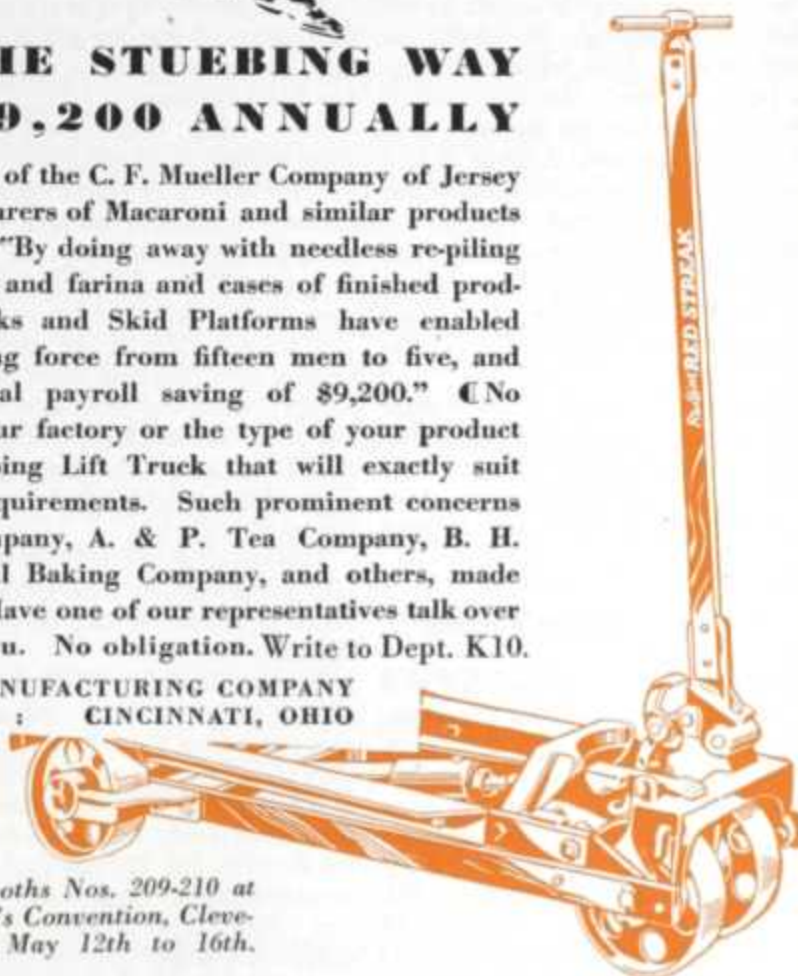
This much achieved, it is but a step to the new cooperation.



**HERE . . .
HAULING THE STUEBING WAY
... SAVES \$9,200 ANNUALLY**

Henry Mueller, Treasurer of the C. F. Mueller Company of Jersey City, the largest manufacturers of Macaroni and similar products in the United States, says: "By doing away with needless re-piling and moving sacks of flour and farina and cases of finished products, Stuebing Lift Trucks and Skid Platforms have enabled us to reduce our trucking force from fifteen men to five, and has netted us an annual payroll saving of \$9,200." ¶ No matter what the size of your factory or the type of your product may be, there is a Stuebing Lift Truck that will exactly suit your interior hauling requirements. Such prominent concerns as National Biscuit Company, A. & P. Tea Company, B. H. Kroger Company, General Baking Company, and others, made Stuebing their choice. ¶ Have one of our representatives talk over your conditions with you. No obligation. Write to Dept. K10.

THE YALE & TOWNE MANUFACTURING COMPANY
STUEBING DIVISION : CINCINNATI, OHIO



See the Yale Exhibits: Booths Nos. 209-210 at
the American Foundrymen's Convention, Cleve-
land Public Auditorium, May 12th to 16th.

YALE

Hoisting and Conveying Systems

Stuebing

Spinach, Prunes and Trolleys

By RAYMOND S. TOMPKINS

Executive Assistant, The United Railways and Electric Company, Baltimore

WHAT the street-railway business of this country needs is a complete comeback. There is probably less hot news in this than in the statement that the comeback now seems imminent.

The fog began clearing for the industry at its forty-eighth annual convention in Atlantic City. It began bicycling backward around the ring while the mists lifted more and more and those ringing noises in the head grew fainter. A comeback seemed inevitable because it had to be inevitable. It was at last perfectly plain that there was only one other alternative.

Of all the romances of industry, nothing can beat "the comeback." It provides as heroic and romantic a tale as the comeback in boxing, or morals or knight-errantry. Take spinach. Five or ten years ago there was no lower or more despised business on earth than the spinach business. Spinach was a joke. Anybody seen eating spinach was undoubtedly a little queer.

But look at spinach now! Advertised, dusted off, improved and beautified, it is served at the finest tables and hailed as a prolonger of life. And the price is about double.

Take liver. If a banker saw a man eating liver a few years ago, he immediately stopped his credit. He must be ready for the poorhouse. Today liver wears a crown of gold; and the poor have to eat chicken.

The rise of the lowly prune

TAKE prunes. Five years ago they were the hallmark of life among the lowly. The failure, whether fruit or human, was "a poor prune." People had grown up to believe the prune simply illustrated a boarding-house landlady's dreadful sense of humor. Today the prune is advertised on full pages in four colors, is packed in fancy dust-proof, air-tight cartons, is eaten proudly and with relish by dukes, debutantes and dunderheads, and costs real money.

The street car is going to repeat the story of the prune. It has to.

For about eight years adversity has

been lurking just around the corner for the street-railway industry. A few companies it actually pounced upon and destroyed. Others it spared as it sat in the shadow watching them try to "solve the electric-railway problem" by frantically chasing their tails.

As the leaders viewed it

"OUR problem," one leader of the industry used to say at these conventions, "is two-fold—it is finance and public relations."

Said another, "It is improved equipment, complete modernization."

Said a third, "It is relief from paying charges and other antiquated and unjust tax burdens."

Said a fourth, "It is to get the public to understand that the nickel is out of date as a street-car fare, and the dime has taken its place."

Said a fifth, "It is to meet and overcome automobile competition."

There was the old picture complete—executives pursuing bankers with appeals for money and credit for modernization and rehabilitation; operating men chasing executives to get new cars and track; public service commissions chasing operating men about rates and service; public and press pursuing public service commissions; and then here they came again—the bankers on the heels of the public to get investors to put up the money.

This tail-chasing would not stop until one group stopped chasing the group ahead of it and let itself be caught by the group behind it.

But what to do first? Listening for the answer to this used to send street-car men home from these meetings thinking they must have ear trouble. They hadn't heard anything. But at Atlantic City they heard plenty. In a single half hour, for example, Dr. Thomas Conway, Jr., president of the Cincinnati, Hamilton and Dayton Railway Company, and a college professor as well, produced enough answers to have kept the convention busy for a four-year course in college. Dr. Conway dealt only in facts. They produced a sorry picture, particularly of interurban electric railways.

With the total registration of private automobiles in the United States jumping from 9,346,195 in 1921 to 21,379,125 in 1928 (an increase of 129 per cent), and with our hard-road mileage growing from 521,915 miles in 1925 to 625,000 in 1928, almost 20 per cent, Dr. Conway found the electric interurbans without credit, shunned by capital and owned by security holders who had almost lost hope.

The electric railway industry's greatest handicap, he declared, was the arrested development of its technique, which was at least 15 years behind the times. The business he said, had been "on a dead center." He saw no hope whatever for the lines that sat still and did not modernize and merchandise their service.

They were up against a competing industry whose production technique enabled it to produce a personal transportation unit made up of some 4,000 parts for approximately \$600. They were up against an industry that recognizes this as "an age of seventy-mile speeds and seven-foot stops." They were competing against vehicles that are considered old and out-of-date in two or three years, with street cars that were not supposed to wear out for 25 years. Against a light, fast automobile whose motor weighed an average of about eight pounds per horsepower, they were pitting their heavy cars; even the newest interurbans had motors weighing more than 28 pounds per horsepower.

What the industry needed

FASTER acceleration, better braking, greater speeds (for interurbans not less than 70 miles an hour, and as high as 86 when necessary); more luxurious seats, handsomer bodies, smoother rails, lighter motors. These were some of the things electric railways needed and needed quickly. They needed other things, too; better personnel training, better merchandising.

But it was easy to string out the list of faults; it was plain to everybody that a lot of troubles would clear up when the service troubles cleared up. The need for electric railway service in big cities

They only asked for lower costs ✕ ✕ ✕

but we gave them
something more



A MANUFACTURER who comes to us seeking only the lower costs which improved wrapping machinery can produce is sometimes agreeably surprised to find that we have also improved the *appearance* and sales-value of his package.

For example: Our high-speed toilet soap wrapping machine was designed to lower wrapping costs. It has twice the speed of any other machines—double the production with the same labor and floor space. But this machine also produces a definitely neater, smoother and more attractive package—a real sales aid in merchandising toilet soaps.

Up to a short time ago, irregular shaped candy bars had to be wrapped by hand. We invented a machine to do the work, not only making large savings over hand-wrapping, but also greatly improving the package. The machine seals the wrapper tight, whereas hand-wrapping leaves it unsealed and liable to work loose, presenting an untidy appearance.

Sometimes the greater efficiency of modern wrapping machinery will more than pay for the extra cost of using a more colorful wrapper—or for the addition of a transparent wrapper, which adds so much to the quality of a package.

Why not put our experience and ability to work for you to see what we can do to lower your costs or to improve your package? No matter what the character of your product may be, it will pay you to get in touch with our nearest office.

PACKAGE MACHINERY COMPANY

Springfield, Massachusetts

New York

Los Angeles

Chicago

London: Baker Perkins, Ltd.



PACKAGE MACHINERY COMPANY

Over 150 Million Packages per day are wrapped on our Machines

EDISON:

Can we obtain, without selling pressure, a survey of our correspondence time and cost?



YES. Our private study of your office makes selling pressure unnecessary. The data will prove invaluable in organizing the flow of business in every department whether there are many letters or a few.

Let us prove this. Telephone "The Ediphone," your City, or ask us for the book, "An Easy Way to Chart Your Correspondence."

THOMAS A. EDISON, INC.
ORANGE, N. J.



World-Wide Service
in all Principal Cities

Ediphone
Edison's New Dictating Machine

was plain. The more the automobiles clogged the thoroughfares, the greater the need for good street-car service.

But what these street-railway men used to thirst for was the magic word with which to begin. Faster, better, handsomer street cars, yes! But the first step was investment in experiments, in new ideas, new equipment. This took money. Money comes through bankers. Bankers were timid about this industry's future. But can they be blamed for this? Can bankers be any less timid or more courageous than the public which is really the source of the money?

And the public, accustomed to yearly, even monthly improvements in its automobile transportation, was inclined to look over its shoulder at the street-car business and to fling at it a snappish, "If you want our patronage, give us Service!" And Service costs money. So, here we went around and around again.

But this is a hardy, tenacious industry. It has been running around in a circle like this for nearly a decade now, but so tough-fibred are the men who conduct it that the last chance for the comeback finds them ready to undertake it.

Here and there amongst the groups at this critical industrial convention, one heard that investment bankers in this or that city were listening a little more favorably to street-railway calls for funds for rehabilitation. Here and there street-railway bond issues put out soon after the close of the war were maturing—and being met—and bonded debts and fixed charges being decreased. This was helping credit. In larger cities annual street-railway earning power per inhabitant had increased since the war.

The prerequisite to cut rates

PURSUIT of the ten-cent fare was increasingly successful, though success seldom lasts unless improved service either precedes, accompanies or follows closely on the heels of the fare increase. Credit has an unfortunate trick of shying away from industries in bad public repute. It makes little difference if a company charges a ten-cent fare and the people in the town dislike the company and its service. Yet, undoubtedly, there must be a spell of higher fares before street railways can follow the lead of the prosperous light and power business and begin cutting rates. Perhaps more people know that now.

So there was a bright side to the convention for the delegates from some cities who, by some sort of superhuman lifting of their companies by their own bootstraps, were beginning to get over

the hurdles. For there certainly are in the electric-railway industry men as intelligent, as well trained in the sciences and as ambitious as in any other industry. Now they know what lies before them. They must modernize or quit. They must replace heavy, slow vehicles, infrequently run, with light, fast vehicles frequently run. Enough companies must undertake these replacements to bring down the cost of the new cars. There was the answer they had needed. There was the point to come back from.

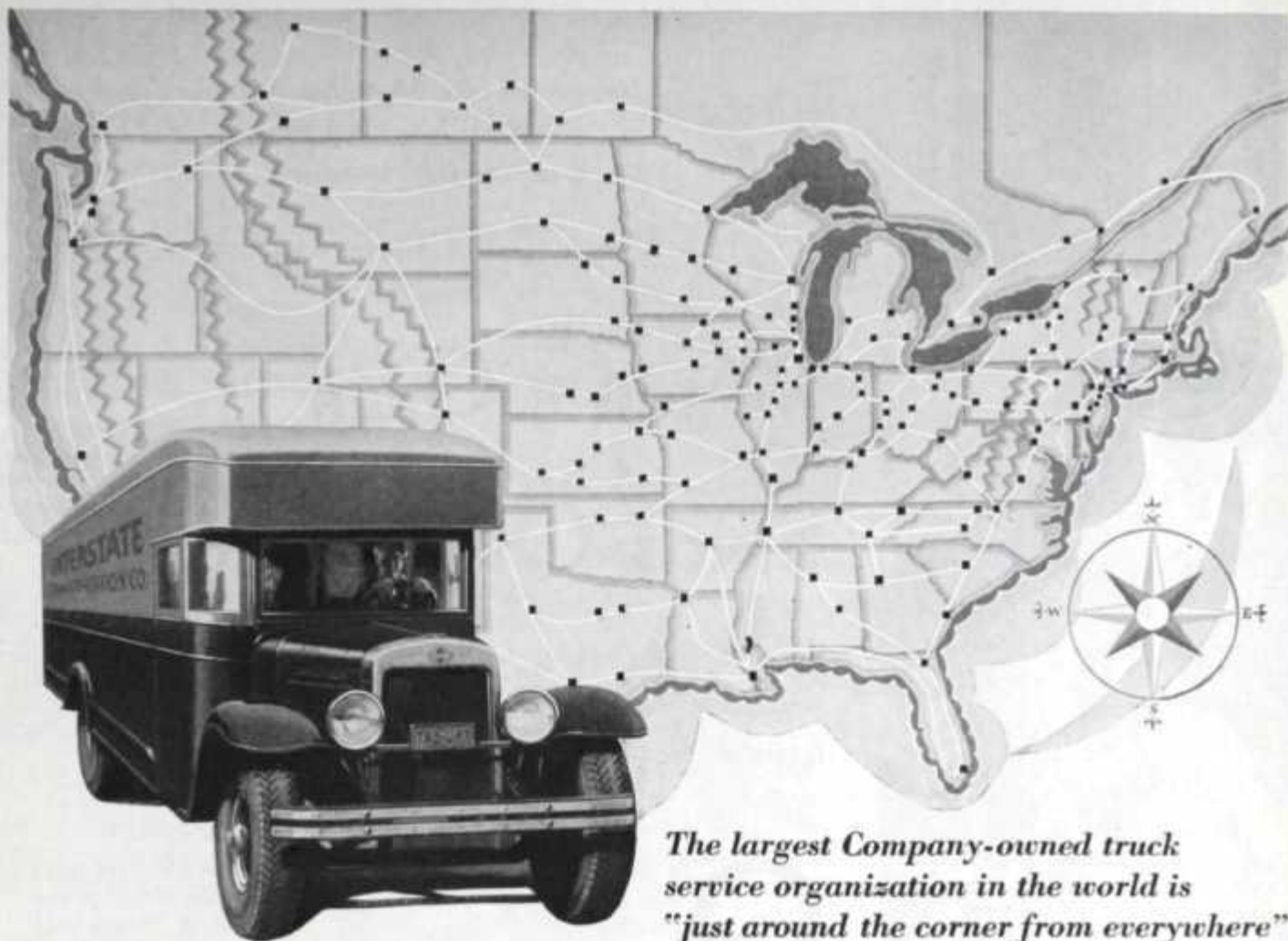
An industry of hardy men

A HARDY industry full of men who are hardy and tough-fibred as well as intelligent. Imagine a conclave of delegates selected from amongst the most harassed business men in the United States, hammered in many places by press and public, accused of "public-be-damned" attitudes, thwarted and denied by regulatory commissions, made the butts of political attacks—and virtually every one in the picture would be a street-car man. Yet here was an electric-traction leader who had just come from the center of a bitter labor war where his life was threatened almost daily and his company's property destroyed—and he looked robust, and could wear a green paper cap with tassels on "Whoopee Night," when the convention relaxed and played.

Here was another fresh from a bitter fare battle, yet he could get up for six o'clock golf and be on time for all-day business sessions. Here were the manufacturers of electric railway equipment, builders of electric motors, handsome car bodies, drawing-room buses, luxurious coaches, restful leather cushioned seats, modern pneumatic contrivances, their newest wares all spread out in the auditorium in an amazing display of dauntless ingenuity, tireless effort and courageous investment to equip an industry that was still waiting for money with which to buy, still waiting for standards that they could trust. Hopeful manufacturers, watching for the new dawn in public transportation, listening for faint stirrings of life in the ooze.

Strong men, tough men, not easily beaten. Perhaps some of them too sure until now of their strength, too ready to listen to the brave assertion, "This is a necessary industry"—which it now is—too deaf in the past to the warning that it must act quickly if it would keep on being necessary in a new age. But those who went to that Atlantic City convention could not say they had not been shown the road to public friendship and fortune.

You can't get away from Service like this



The largest Company-owned truck service organization in the world is "just around the corner from everywhere" ready to serve International Trucks.

All over the United States and Canada there are Company-owned branches waiting to wait upon International Trucks. There are 161 of these branches in the United States alone, and 19 in Canada.

No matter whether you operate your Internationals in Connecticut or California, in Saskatoon or San Antonio, you will always find an International Branch not far away. The farther you go from one, the nearer you get to another.

And every International owner can get from any one of these branches just the kind of service

the factory itself would give him. Each branch has an extensive stock of factory-standard parts on hand for all emergencies, and every trained mechanic works on factory-standard methods with all the modern equipment good service demands.

There's never any guess-work and never any tinkering—and that means economy in every operation.

When you buy an International you buy a truck that the Harvester Company is proud to have carry its name and you can rest assured that the Harvester Company will always do everything in its power to keep the truck that way.

The International Line includes the $\frac{3}{4}$ -ton Special Delivery; the 1-ton Six-Speed Special; Speed Trucks, 1 $\frac{1}{4}$, 1 $\frac{1}{2}$, 2 and 3-ton; Heavy-Duty Trucks to 5-ton; and McCormick-Deering Industrial Tractors. Catalogs on request.

INTERNATIONAL HARVESTER COMPANY

606 So. Michigan Ave.

OF AMERICA
(INCORPORATED)

Chicago, Illinois

INTERNATIONAL

INTERNATIONAL TRUCKS



The directors laid the case before industrial engineers. "What makes our chain act this way?" they asked

★ IT IS admitted that the chains have taught independent merchants a great deal about merchandising. But when a grocery chain began going badly, M. C. Wachtel was called in to save it. He found that chains could also learn a great deal from independents

When a Chain Skids Off the Road

By GEORGE L. MOORE

Assistant to President, the Sherman Corporation

ILLUSTRATIONS BY HANS FOY

ON the slippery highway of modern merchandising, chains—contrary to some notions popularly held—are not skid-proof.

The chain-store principle is in harmony with certain fundamentals. An example is the chains' distribution of risk. Chains do not put all their eggs in one basket. The independent retailer stakes his all, capital, experience and energy, on one location. Perhaps he overlooks just one item, as did a garage and filling station which located at the bottom of a hill. When prospective customers approached, going up, they stepped on the gas; coming down, they released their brakes with relief and kept going.

A single store fluctuates with the economic ups and downs of its community, whereas, with the national chain, if Florida has a fruit fly, Detroit may be working overtime; and when Detroit eases off, Florida is doing more business than before.

But the chain principle, by itself, is not a guarantee of safety and success; and when a chain skids the job of getting it back on the road is accomplished by horse sense, good

judgment, imagination and hard work.

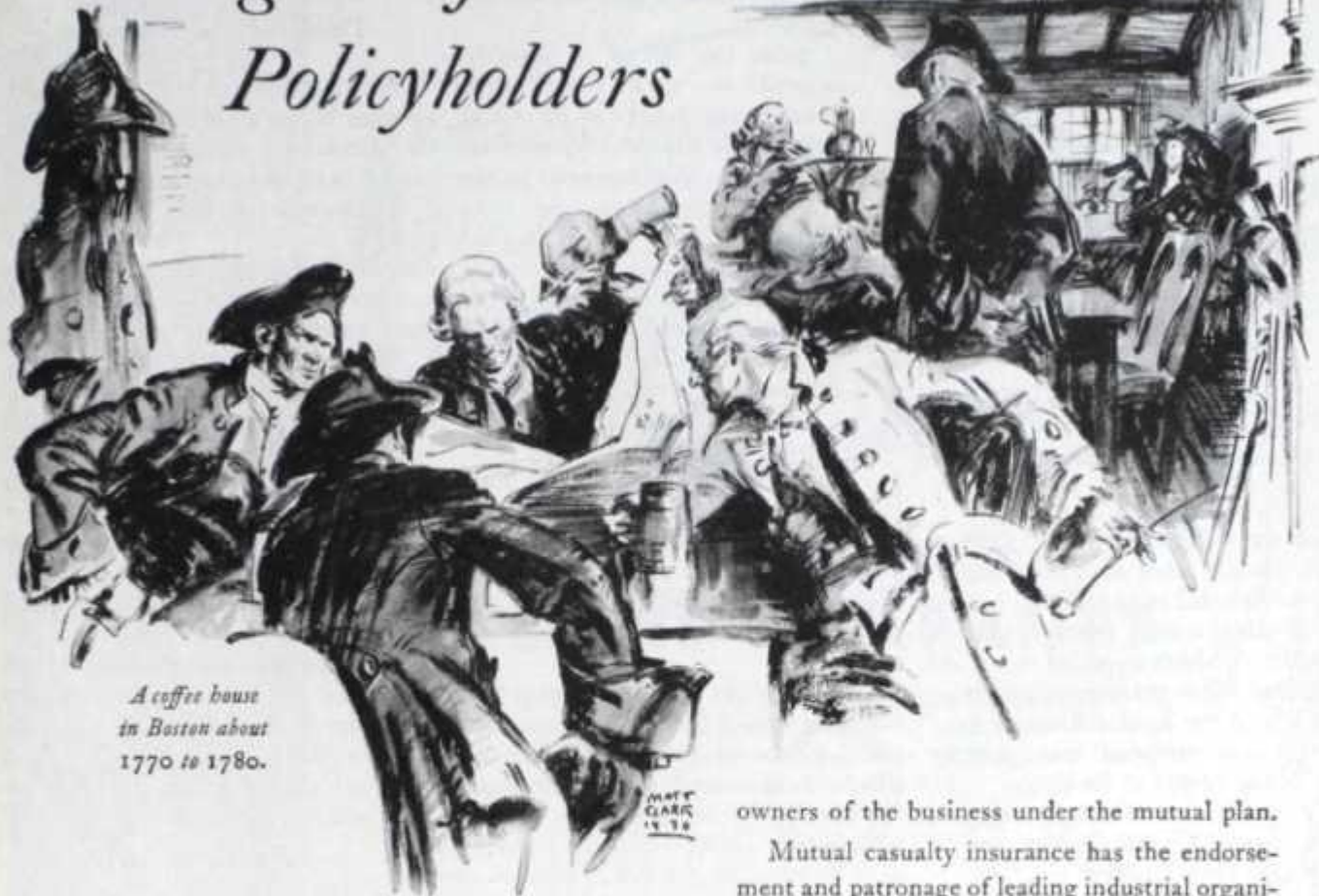
Several years ago the Almar grocery chain was organized in Philadelphia. A & P and American Stores had been doing so well that it was believed another chain could get its share of the business. Two hundred and fifty Almar units were opened. All the conventional chain machinery was built but the chain didn't prosper. The directors felt that something must be done. They went to a group of management and industrial engineers.

Not a perfect system

"WHAT makes our chain act this way?" they asked. "It's a genuine chain. We have good locations. The stores are painted the same color. We buy our goods in large quantities. We put them in our warehouse, parcel them out so much for each store and deliver the parcels in our trucks. We advertise. We put price tickets on the merchandise, uniformly all over the system. We plaster the windows with specials. We have pep bulletins for our managers. We meet the prices of other chains. But somehow it doesn't seem to work."

The outside people listened but made no immediate reply. Instead, they went out and looked for themselves. They

Since 1752
 "Mutual" has meant —
*The good of
 Policyholders*



*A coffee house
 in Boston about
 1770 to 1780.*

FROM the founding of the first mutual insurance company down to the present day—mutual companies have existed solely for the benefit of policyholders.

Under the mutual plan policyholders own the corporation and benefit directly by the economy, care and ability of its management.

The dividend record of mutual companies surpasses any other classification of business. Scores of mutual corporations have an unbroken record of dividends every year since organization. Mutual dividends are returned to *policyholders*, who are the

owners of the business under the mutual plan.

Mutual casualty insurance has the endorsement and patronage of leading industrial organizations and thousands of outstanding individual business leaders.

Employers of labor, car and property owners, anyone engaged in business, will find interest in a booklet on mutual casualty insurance. It will be sent on request. No solicitation will follow. Address Mutual Casualty Insurance, Room 2201, 180 North Michigan Avenue, Chicago, Illinois.



MUTUAL PROTECTION IS AVAILABLE
 FOR THESE CASUALTY RISKS:

<i>Accident</i>	<i>Liability (all forms)</i>
<i>Automobile (all forms)</i>	<i>Plate Glass</i>
<i>Burglary and Theft</i>	<i>Property Damage</i>
<i>Workmen's Compensation</i>	<i>Fidelity</i>

MUTUAL CASUALTY INSURANCE

These Old Line Legal Reserve Companies Are Members of

NATIONAL ASSOCIATION OF MUTUAL CASUALTY COMPANIES and AMERICAN MUTUAL ALLIANCE

Allied Mutuals Liability Insurance Co., New York City; American Mutual Liability Insurance Co., Boston, Mass.; Builders Mutual Casualty Co., Madison, Wis.; Central Mutual Casualty Co., Kansas City, Mo.; Employers Mutual Casualty Co., Des Moines, Ia.; Employers Mutual Liability Insurance Co., Wausau, Wis.; Exchange Mutual Indemnity Insurance Co., Buffalo, N. Y.; Federal Mutual Liability Insurance Co., Boston, Mass.; Hardware Mutual Casualty Co., Stevens Point, Wis.; Interboro Mutual Indemnity Insurance Co., New York City; Jamestown Mutual Insurance Co., Jamestown, N. Y.; Liberty Mutual Insurance Co., Boston, Mass.; Lumbermens Mutual Casualty Co., Chicago, Ill.; (American) Lumbermens Mutual Casualty Co. of Illinois, New York City; Merchants Mutual Casualty Co., Buffalo, N. Y.; Michigan Mutual Liability Co., Detroit, Mich.; Mutual Casualty Insurance Co., New York City; Texas Employers Insurance Association, Dallas, Texas; U. S. Mutual Liability Insurance Co., Quincy, Mass.; Utica Mutual Insurance Co., Utica, N. Y.

When writing to NATIONAL ASSOCIATION OF MUTUAL CASUALTY COMPANIES please mention Nation's Business



Mrs. Consumer didn't like a store that sold her what she didn't want

visited the company's stores; watched the clerks and sized up the managers. They investigated costs and sales figures. Among other things, they found that during a two-month period when 95 per cent of the stores were emphasizing price appeal the total volume of sales for the chain dropped more sharply than in any period of its career.

They poked around in the warehouse; found cases and crates all over the place, aisles choked and the flow of goods in and out governed largely by lungs and language.

The outsiders looked up Mrs. Consumer. She seemed surprisingly sure why she liked certain grocery stores and didn't like others. The store she liked was a clean store, a bright store, a store that wasn't always trying to sell her something she didn't want, a store with fresh goods.

Suggestions wanted

SHE seemed more interested in getting things to concoct dishes that would impress her guests and tickle the appetite of Mr. Consumer than in anything else. She liked a store that gave her suggestions about what to have for supper, how to get something different for the Sunday dinner. Price? Well, she was going to get the most for her money.

In short, this step in the process of halting a chain store's skidding was a job of getting out and getting under.

A new management was given the job of repairing and tuning up the motor, then stepping on the gas and going somewhere.

The new management put M. C. Wachtel into the driver's seat.

From the age of 14 when he started to work for Tiedtke Brothers in Toledo as an errand and bundle boy, Mr. Wachtel has been in the food business. In the Tiedtke organization, he went from bundle boy to clerk, waited on customers in every department, assisted the manager of the produce department, managed the produce department and, at 23, became manager.

When he left Tiedtke's, they employed 1,200 men, used a hundred trucks, did an annual business of six million dollars. He knew his groceries. And he believes that serving housewives with food through chain stores is no different, fundamentally, than running one neighborhood store.

"When a chain store skids," says Mr. Wachtel, "you'll find perhaps the biggest single cause is that it has broken the simple, fundamental rules which hold for independent storekeeping as well as

chain storekeeping. Benjamin Franklin said, 'Keep your shop and your shop will keep you.' Many things said about store operation are more high-sounding than that, but no more sensible. Keeping your shop means being in touch with every phase of its operations. This is as sound today as it was when *Poor Richard's Almanac* was printed.

Think of the customer

"ANOTHER fundamental of storekeeping, chain or independent, is that the storekeeper always must think of his job in terms of service to the public.

"He must know what the public expects in the way of store appearance, cleanliness, courtesy. He must not only measure up to those expectations; he must anticipate them.

"Stores skid, whether chain or independent, because store personnel and management keep their noses too close to the grindstone and spend too little time thinking about the people they are trying to serve.

"When a woman comes into one of our stores around four o'clock in the afternoon, she's thinking, 'What can I have for supper?'

"She may need butter, coffee, bread. If you sell her butter, you've supplied her butter needs for several days. The need for butter won't bring her back into your store the next day. Sell her coffee and her coffee needs are filled for



They found the warehouses choked with cases and crates and the flow of goods regulated largely by lungs and language

LEADS ALL BINDERS

IN IMPROVEMENTS



BACKED BY A LIFETIME GUARANTY

YOU buy Flexi-Post Binders with certainty that they will save money in your business. A bond guarantees lifetime service from every time-saving, cost-reducing feature of their patented flexible-sectional post mechanism.

The same Flexi-Post Binders will serve your needs indefinitely. They grow with your business. You merely add post sections and sheets, instead of buying new binders.

Unlimited capacity. Fewer binders needed. Permanent mechanism. Replacement costs saved. Quicker release and stronger compression. Two inches of working space. Time saved in removal or addition of sheets. Non-protruding posts. No scratched desks. Storage space saved.

There are lower-priced binders but none so economical as Flexi-Post — the guaranteed, time-tested standard of modern business.

*Let your dealer demonstrate Flexi-Post.
Mail coupon for illustrated folder.*

STATIONERS LOOSE LEAF COMPANY, Milwaukee, Wis.



Sheets held with vice-like security — yet instantly released when desired.

FLEXI-POST

REG. U.S. PAT. OFF.

The Guaranteed Binder — a Unit of the **FAULTLESS** Line

Mail the coupon

STATIONERS LOOSE LEAF CO., Dept. A-5, Milwaukee, Wis.

Send Flexi-Post booklet and Lifetime Guaranty facts.

Name.....

Address.....

a week at least. Bread, of course, is a daily need. Hence, its importance in grocery store merchandising.

"But sell her something to fill tonight's supper need, and she'll come back to let you help her with tomorrow's breakfast, and Sunday dinner. In other words, sell her what she wants and sell her from her point of view.

"She wants groceries only because they are the material for meals. She wants meals that have variety and tastiness, that will please her family and, when she gives a party, will please and impress her friends.

"Grocerymen too often think their job is supplying finished goods, when they really are supplying raw materials to be made up into finished goods.

"That's just horse sense, but I believe you'll find more retailing troubles, whether in chain or independent stores, due to a lack of horse sense than to any other single factor.

"We found the Almar stores, before the reorganization, watching competitors more closely than they watched their own business. If the other chains had cauliflower and loin of pork as Saturday specials, our people had cauliflower and loin of pork specials for Monday. But people had eaten all the cauliflower and pork loin they wanted for a while. And cutting prices wouldn't change public wants.

What specials help sales?

"I WENT over the specials which had been offered. I found two nickel candy bars for a nickel advertised in big type. Why? Are candy bars used for suppers, breakfasts, dinners? What could grocery stores expect to build on a candy bar special?

"Selection of specials is an art. You've got to lead, not follow. You've got to show the public that you're thinking of its needs."

The selection of specials is significant in the Almar reconstruction chiefly because it illustrates that those who stop the skidding of the chains must deal with business and human problems, not technical problems. The Almar situation had been brought about because policies and practices had been deficient in respect to two groups of people—the 1,800 employees of the organization and the buying public. There were technical problems, warehousing and traffic control, for example, but the fundamental conditions requiring treatment were absence of morale within the organization and lack of good will outside.

Under Mr. Wachtel's leadership better morale was the first objective.

Truck drivers, clerks, managers, supervisors were brought together by functional grouping and in mass meetings. General supervisors were thoroughly educated in the facts of past conditions. Managers were inoculated with a new enthusiasm. Clerks were told, in detail, of the new policies and objectives.

It wasn't long before this campaign of inspiration and education took effect. Employees were brought into close personal touch with executives. Mr. Wachtel announced that his door was always open. First one of the rank and file tried the door; then others. After six weeks, a truck driver knocked at the door. He was given a comfortable chair and a good cigar. As a result of his visit a loss of hundreds of dollars in truck repair bills was uncovered.

Chain stores depend a great deal on printed bulletins of instructions which tend to mechanize human contacts.



Advertisements told of the rebuilding of the organization from cellar to roof

Constant effort is necessary to clothe these bare skeletons with flesh and blood. Every Almar executive now is schooled in the necessity of contact. As a result you'll find desk after desk in the general offices deserted frequently. The executives are in the field.

New building sales

EARLY in the reconstruction campaign, all store managers were given paint, brushes and instructions in painting a store front. On a given evening, every manager appeared at his store with his clerks, brushes, ladders, paint. The next morning every Almar store wore a new dress. Time and money were saved, but the big result was a new feeling of solidarity, of interest in the welfare of the business.

In taking its case to the public, Almar dramatized its rebuilding job. There was, first, a Dynamite Week. Newspaper advertisements, the radio, handbills told the story of dynamiting for new foundations. Next came Foundation Week and the public saw the foundations of a new business being poured. Next, Cornerstone Week. Next, walls were erected in a special Building Week.

Finally, the roof was put on. Dynamite Week woke up the public to what was going on. Weekly sales increased from \$168,000 to \$192,000. Each succeeding week consolidated this gain. Sales were brought up to \$213,000 and through the summer slump a net gain of \$18,000 weekly in sales was held without special effort.

Upon the employee morale these special efforts were electrifying. The public also responded.

An important link in the chain idea is standardization, but, carried to an extreme, standardization devitalizes a retail grocery business. Ideas, therefore, should constantly supplement standardization. The Almar stores have been on the trigger every minute to be first with an idea.

One store specializes in 5-10-25 cent groceries. Located in an apartment neighborhood, its frontage of 15 feet means comparatively low overhead. Another store in Germantown is built to entirely different specifications. It is spacious with wide aisles and convenient shelves, staggered on a new arrangement so that a customer standing in the doorway sees the maximum of stock. The merchandise is arranged alphabetically. For example, under a large letter "B" are arranged all articles whose initial letter is "B." Everything is done to bring goods quickly and

HIS FOUR MESSAGES

flashed over the International System

by **RADIO** • *by* **WIRE** • *by* **CABLE**

*Postal Telegraph
is the only
American Telegraph
company offering
you a coördinated
communications
service*



IN the course of a single day, a New York exporter had occasion to send messages to correspondents in London, Buenos Aires, Chicago and aboard a ship in mid-Pacific.

The four messages went over the International System . . . all the way to their destination.

The London cablegram sped across the ocean via Commercial Cables. All America Cables flashed the message to Buenos Aires.

The Chicago telegram raced over Postal Telegraph wires. And Mackay Radio swiftly found the ship at sea.

Each message pressed into service a different unit of the only American system of coördinated record communications.



THIS NEWLY OPENED *Postal Telegraph office in Washington, D. C., shows us what the telegraph office of the future will be like . . . Comfortable chairs, desks, tables—in spacious, tastefully designed writing rooms.*

The International System groups radio, telegraph, wire and cable at the instant service of American business. Often a single message races by wire, then cable or over the air before it reaches its destination.

As the American nerve center of this vast system, Postal Telegraph not only serves as a feeder and distributor of world-wide service, but it also renders swift, courteous and

accurate service to 70,000 points in the United States and 8,000 points in Canada.

Today, Postal Telegraph is bringing to American Business the most modern telegraphic service—including the typing telegraph . . . counterless offices . . . emergency wire circuits which insure against interruptions by storms and wire breakdown . . . alert, smartly uniformed messengers . . . photograms . . . and co-ordination of telegraph, cable and radio service.

The next time you send a message to any part of the world, send it by Postal Telegraph. Take advantage of the world-wide facilities and service of the International System of co-ordinated communications.

Postal Telegraph

Commercial Cables • Mackay Radio

All America Cables

When writing to POSTAL TELEGRAPH-CABLE COMPANY please mention Nation's Business

FOR *the* INFORMATION OF BUSINESS MEN . . .

No. 1 of Series

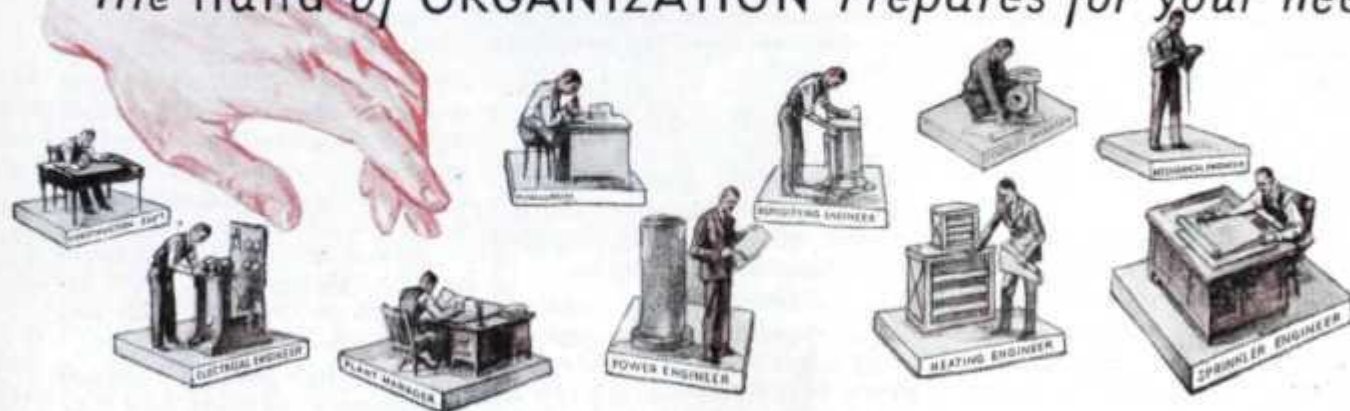
THIS series of advertisements is designed to acquaint business men with Grinnell Company as it really is.

Automatic Sprinkler protection, for which it first won international fame and leadership, is not the chief business of the company. Its equally high reputation for many other industrial piping specialties and commodities has been built on super-standards of manufacture, and on original conceptions, which are well known to engineers and architects.

Business men, too, need to know the real quality in these products.

1. **Thermolier** the copper unit heater. A better and cheaper means of heating many types of industrial and commercial buildings.
2. **Thermoflex Radiator Traps** with the famous Hydron bellows, insuring perfect operation of your steam radiator.
3. **Pipe Fabrication.** Pipe bends, welded headers and the Triple XXX line for super power work.
4. **Pipe Fittings** perfectly threaded, accurately machined and rigidly inspected.
5. **Pipe Hangers** featuring easy adjustability after the piping is up.
6. **Humidification Equipment.** Complete systems employing the unique automatic control, Amco; furnished through American Moistening Company, a subsidiary.
7. **Automatic Sprinkler Systems** with the famous Quartz bulb head. The world's largest sprinkler manufacturer and contractor.

The Hand of ORGANIZATION Prepares for your needs



GRINNELL  COMPANY

Branches in all Principal Cities

Executive Offices: Providence, R. I.

effectively to the customer's eye, to the extent of using, for bulk goods such as rice, corn meal and nuts, a manilla bag, striped with cellophane, a feature which Almar has developed for its exclusive use.

The new management studies its locations constantly. Neighborhoods change in character and stores serving them must fit. Therefore, one store in Trenton was completely changed. Its quality of stock, especially meats, is entirely unlike other Almar stores. Its reasons for low meat prices are plain and simple. In this neighborhood families will eat steak only

once a week if it's 60 cents a pound. They'll eat it oftener if it's cheaper and these families are not finicky about quality.

Early in the Almar reorganization, hopelessly unprofitable stores were closed up with a snap. With fewer stores, sales volumes still increased.

While the reorganization was getting underway, fire destroyed one of the warehouses—a body blow for any grocery chain, because adequate warehousing facilities are vital. An hour after the firemen withdrew the biggest chain competitor of Almar placed its

warehousing facilities at the disposal of the stricken organization. The offer was accepted and for several weeks, until new warehousing arrangements could be completed, this chain loaned goods from its own stocks, printed butter, and performed many other services for its competitor.

Chains seem to be human, after all. The job of stopping a skidding chain is bigger than in the case of a single independent store because of greater size and weight, but the fundamentals of reorganizing a chain and a single store are strangely similar.

They Do Buy for Quality Today

By JOHN D. BLAINE

THEY do buy for quality today. Although NATION'S BUSINESS in March printed an article "They Don't Buy for Quality Today," the mass of consumers, in my opinion, demand quality more than ever before. But some business folks, and others now and then, get befuddled in their reasoning when sizing up the present competitive situation. Why is it that price buying and quality buying are so often spoken of as being different things? They can be, and are today, in many respects identical.

First let us have some exhibits as to what the masses, not the rich, are now interested in buying. I ran a general store for almost a generation, and raised a family of six consumers. My observation is rather first hand, on both sides of the fence; and in the country at that, which is more or less behind the city.

Consider wearing apparel. When I went into business, in 1907, our general store catering to farm and small town trade didn't have a pair of silk hose in it. And our dress goods were all cotton and so were our ready-made dresses. To men we sold 25¢ hose and 25¢ ties, except at holiday season when we took a chance on grades running up to 50¢ and 75¢. The rest of our stock was in proportion.

Today the local stores sell, for summer wear, virtually nothing but silk hose to women. In dress goods and dresses, cotton has been largely displaced by silk and rayon. Our high-school girls are satisfied with nothing less than silk or very good rayon.

Our young men have become so classy that they simply don't look at the stores of the little home town. If they have white collar jobs, as in the local bank, they wear silk socks and ties ranging around \$3, if not more.

In the old days nobody in our country town put on his or her "good clothes" except on holidays and Sundays or other special occasions. Now, except for the overall brigade, everybody on the street seems dressed up all the time.

But along with this demand for quality is a great demand for bargains, and it's in the interpretation of this situation that we tend to get our thinking mixed. Old traditions die hard. There are people who still think that quality buyers ignore price, and that price buyers are indifferent to quality. Their idea is that the seller should cater to one or the other and not to both. But bargain hunters of today are bargain hunters because their demand for quality makes it a Scotchman's pinch to figure out how their money can satisfy their burning desires for quality goods.

Less than eight per cent of American families have incomes over \$5,000. That leaves at least 92 per cent to be quality bargain hunters at heart and getting more and more so in the open. Ten years ago bargain hunters generally drove up to my store in Fords or used cars. Not so today. In fact, some of the most persistent bargain hunters in our section are city people who come from their country homes in Pierce-Arrows and Packards. And they cer-

tainly demand merchandise of the best.

Almost any observer can see evidences of all this in recent changes in the appearance and service of stores. Not long ago I persuaded a very modern young woman, a close relative, to cover with me the shopping district of a sizable city where she buys.

I wanted to see what sort of stores this sophisticated young person, getting a good salary and spending it all on herself, found most compelling. She was a better subject than even my high hopes had led me to expect. With great glee she pointed out store after store, once called exclusive, that has of late changed its conservative attitude and begun to compete for trade by giving a bargain touch to quality goods.

It was a real entertainment to hear the lady confess how she schemed like a saving miser so that she could spend to best advantage every cent she earned. She held up her purse and slapped its flat sides. "Show me a bargain, please!" And then she added, as she glanced at a window reflection of her attractive self, "But don't show me anything but mighty good stuff!"

The lessons are perfectly plain. The desire for a bargain rules, it's true; but we must give that fact its proper interpretation. The growing hunger for a bargain comes from the fact that the income is strained by the desire for goods of high quality. The seller most in line with the modern trend is the one who appeals to the consumer with what seems to be a bargain price for a quality article.



Where Steel Is King

For every ton of steel produced several tons of materials have to be handled and the yearly handling bill of the country's steel mills runs into millions of dollars. Naturally, therefore, these plants have studied carefully the subject of material handling costs and it is a significant fact that in almost every one of them you will find a number of Industrial Brownhoist cranes doing all kinds of bucket, hook and magnet work.

Industrial Brownhoist locomotive cranes are the steel man's choice because they have proved their value in service. These men know that Industrial Brownhoist has built thousands more of these machines than any other maker and that the experience gained in building cranes of every size and type has been invaluable both to us and to the man who wants to handle materials economically.

Industrial Brownhoist locomotive and crawler cranes are at work and saving money in nearly every line of industry today. Because of their ability to handle all kinds of materials at low cost and because they will travel quickly to the job instead of having to have the work brought to them, these cranes have become an indispensable part of our national industrial progress.

Industrial Brownhoist Corporation, General Offices, Cleveland, Ohio

District Offices: New York, Philadelphia, Pittsburgh, Detroit, Chicago, San Francisco, New Orleans

Plants: Brownhoist Division, Cleveland, Ohio; Industrial Division, Bay City, Michigan; Elyria Foundry Division, Elyria, Ohio

INDUSTRIAL BROWNHOIST

When writing to INDUSTRIAL BROWNHOIST CORPORATION please mention Nation's Business

Watch New England Come Back

(Continued from page 43)

tiles should share in the industrial prosperity of the United States as a whole. A quality product should always be able to find a market.

"Too much of the third generation" is the trouble with New England, according to a diagnosis attributed to former President Coolidge. I do not altogether agree. I am proud of the fact that I went into my father's business, and that young men of the family are ready to carry on. Family pride is a great asset in any concern, and so are family traditions.

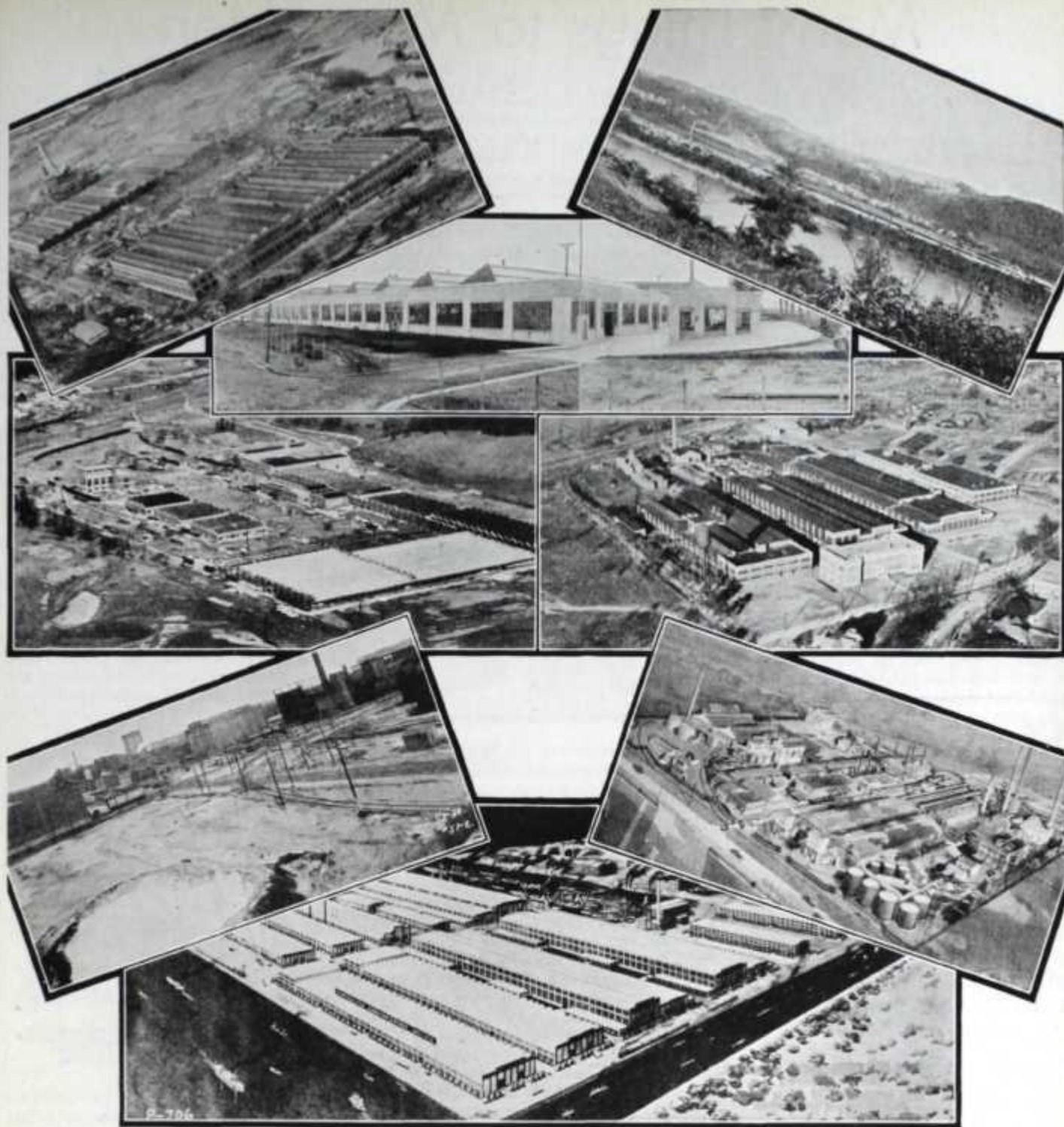
Each generation, however, must keep abreast of the times, for conditions change year by year, and a method in use 30 years ago may be of no value today. In this sense the technical knowledge of the father may be useless to the son, but if he goes into the business resolved to succeed, with pride in family tradition giving added driving force, he will do well.

Textile's growing importance

GREAT changes are constantly taking place in the textile industry of the United States. The official figures for the past 15 years show, for one thing, a tremendous increase in the amount of wages paid. In 1914 the 1,505,912 wage earners in the textile industry received in wages 676 million dollars. By 1927, wage earners had increased to 1,694,416, and wages to \$1,760,000,000. With an average of four persons to a family this would indicate that nearly seven million persons were dependent on this industry. The value of products for these years was \$3,445,000,000 in 1914 and \$8,950,000,000 in 1927. It will be seen, from these figures that the textile industry is among the most important in the United States.

What are the opportunities for a young man today in the New England textile industry? I believe they are good, provided he enters the industry determined to succeed.

I always like to see a young man in my employ taking courses in textile manufacturing at night. A man who works in the mill during the day and then spends a couple of hours in a textile school at night, gaining additional knowledge upon which promotion depends, is pretty sure to make a mark in his chosen profession. Except hard work and the will to get ahead, there is no royal road to success.



ONE BY ONE, the great industries of America are turning to capable engineering contractors to take over the details of their plant expansion and development. Ferguson engineers—with experience in large industrial projects of many kinds—can meet any manufacturer on his own ground—grasp his production prob-

lems and give him the answer in the form of a complete plant, ready for work. Every detail of the job, from the location of the plant and the first rough sketch of the plans to the completely equipped structure, is handled in one organization, under one responsibility, and with the owner's satisfaction *guaranteed*.

THE H. K. FERGUSON COMPANY • Hanna Building • Phone CHerry 5870 • Cleveland, Ohio

Ferguson

ENGINEERS

NEW YORK • CHICAGO • BALTIMORE • DETROIT • BIRMINGHAM
TOKIO, JAPAN • TORONTO, CANADA • MEXICO CITY, MEXICO

More than 8,000 of the country's leading executives are regular readers of the Ferguson Cross Section—a monthly magazine dealing with timely business and engineering topics. A request on your letter-head will bring it to you gratis.

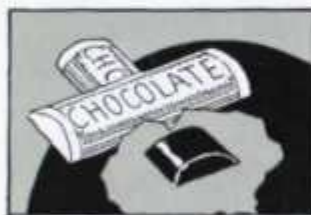
Many Things to Many Men

ASKED the question, "What is Aluminum used for?"... different men give widely varying answers.

Everybody is familiar with aluminum cooking utensils. But few realize the strides which have been made during recent years in the art of producing aluminum alloys. Few realize the very many places where aluminum and its alloys are playing vital roles in industry today. To most men, the versatility of this light, strong metal is a surprise.



Manufacturers of both street and railroad cars, buses and commercial trucks use certain strong aluminum alloys rolled into I-beams, channels, and other structural shapes. They use large plates of these light, strong alloys which are riveted to the above aluminum structural forms, with the result that cars, buses and trucks can be built having greatly reduced dead-load and correspondingly increased pay-load, securing both of these advantages without loss of strength or safety.



Rolled in a different manner, sheets of pure aluminum are reduced to foil—some of it so thin that it would take ten sheets to equal the thickness of the paper on which this is printed.

As foil, aluminum is used to seal in the flavor and goodness of chocolates, cheese, yeast, tea, cigarettes, and cigars.

And as foil, but of greater thickness, aluminum protects oil tanks, pipe lines, and tank cars against evaporation losses and corrosion.

The automobile manufacturer demands that aluminum alloys be cast into pistons and forged into connecting rods. In this form, because they conduct heat 5 times faster than iron or steel, yet weigh less than half as much, they make possible quicker pick-up and higher top speeds.



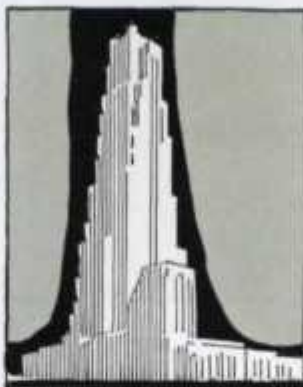
In much the same manner, aluminum and its alloys have made possible the present-day speedy outboard motor, have cut

down inertia in hundreds of places where mass is set in motion, have substituted pay load for dead load.

The age we live in demands that we make every pound a useful pound, save handling costs, save freight, save the expenditure of non-productive energy everywhere—on everything. Lighter machines, provided the strength is there, are cheaper to operate. Light-weight products can be handled more easily and quickly—and at lower cost.

But light weight and strength are only two advantages of aluminum. It also resists corrosion. It will not rust.

Many men in many forms of business want aluminum for this reason.



Architects turn to this bright metal for decorative purposes. Cornices, spandrels, grilles, window frames, entrance doors—these and many other parts of buildings are made of aluminum. Because it does not rust, it will not stain or streak the sides of light-colored buildings.

Several years ago, it was discovered that pure aluminum could be ground into a fine powder. In this form the architect, builder and painter specify it for use as the pigment portion of aluminum paint.

The tiny flakes of aluminum powder in this paint overlap to form a coat of metal protection. Resisting corrosion, this coating prevents the formation of rust on metal. Because it checks moisture penetration, it is used as a priming coat on houses, and other wooden buildings.



Few people realize that the caps on jars and glass-packed foods, on medicines and pharmaceuticals of many kinds, are made of aluminum. Usually these aluminum caps and seals are colored and bear printed trade marks or designs.

Perhaps more interesting still, pure, soft aluminum is pressed into collapsible tubes for tooth paste, shaving cream and numerous other products.

Again, it is the purity of aluminum as well as its lightness and strength that dictates its choice.

In the home, aluminum has always held its place as the shining metal of the kitchen, and has long been accepted as the best lining for electric ovens. But today, it has stepped out into other rooms as well. To radio, vacuum cleaner, refrigerator, washing machine, ironer, percolator, waffle mold, it brings one advantage or another.



Outside the house, it appears as shingles, flashing, down spouts and gutters; as casement windows and window screen frames.

Forty years ago, aluminum was a semi-precious metal, selling for approximately \$25 a pound—today it sells for less than 25c a pound.

This great price reduction, and the constantly growing uses of the metal, are due to two things. First, the discovery by Charles Martin Hall of the process which made aluminum possible on a commercial scale. And second, the research and development work which has been carried on by Aluminum Company of America.



Because this Company is the sole producer of aluminum in this country, it has always striven to lower prices in order that the advantages of aluminum might be made available to more and more manufacturers, and through them to more and more people.

In order to establish the identity of its own brand and to build good-will around its name, Aluminum Company of America has created a trade name. That name is made up of three syllables, AL CO A, standing for the beginning letters of the three principal words of its name: ALuminum CO mpany of A merica.

ALCOA ALUMINUM is the world's highest standard.

If you think that ALCOA Aluminum, or any of its strong alloys might make your product easier to manufacture, or sell, we will gladly discuss the question with you. Write to Aluminum Company of America; 2415 Oliver Building, Pittsburgh, Pennsylvania.

An Accounting for Accountants

By RAYMOND WILLOUGHBY

Associate Editor, NATION'S BUSINESS



A MARKED change is taking place in the importance of accountancy and in its services to business. Some business men have expressed doubt as to just how this new science can be used and what it can do for them. Here is the answer the accountants themselves give to those questions

EVERY convention of accountants invites the conclusion that perfection in accounting methods is still an incalculable futurity. The public in its regular first-of-the-month attempts to soften the impacts of outgo and income gives accounting more the aspect of art than of science. In the field of business, however, accounting is more and more recognized as a profession with all that the word implies in education, training and ethical standards of practice.

Certainly the number of students enrolled in accounting courses gives substance to the belief that America feels a sort of evangelical urge to hold the world to "strict accountability." In 1928 more than 97 institutions of collegiate rank had 100 or more students enrolled in accounting courses. Twenty-one had enrollments exceeding 500 each; eight had more than 1,000 each. New York University's enrollment of 7,694 was the highest, with Northwestern's 4,490

second. The total college enrollment in accounting courses for 1928 was more than 45,000. No one seems to know the enrollment in accounting courses outside the colleges.

It is natural to wonder what opportunities, what fields of usefulness were open to all those busy minds. A professional measure of the place of the public accountant has been taken by the American Institute of Accountants through an investigation made by George S. Olive, one of its members.

It is his belief that the Government's tax requirements, the demands of bankers that business have available detailed and definite records for credit purposes, and the tendency toward mergers and consolidations, have combined within the last decade to make the public accountant not only important but indispensable in the nation's business life.

A varied range of activity

EVEN the casual observer of business is aware that marked changes have occurred in the kind of services performed by the public accountant and in his position in the economic structure.

A few years ago, accountants were giving virtually all their time to auditing and preparing audit reports. Now their time is taken to a considerable extent in consulting

with clients, attorneys, and bankers with reference to the past operation or the future prospects of the business under consideration.

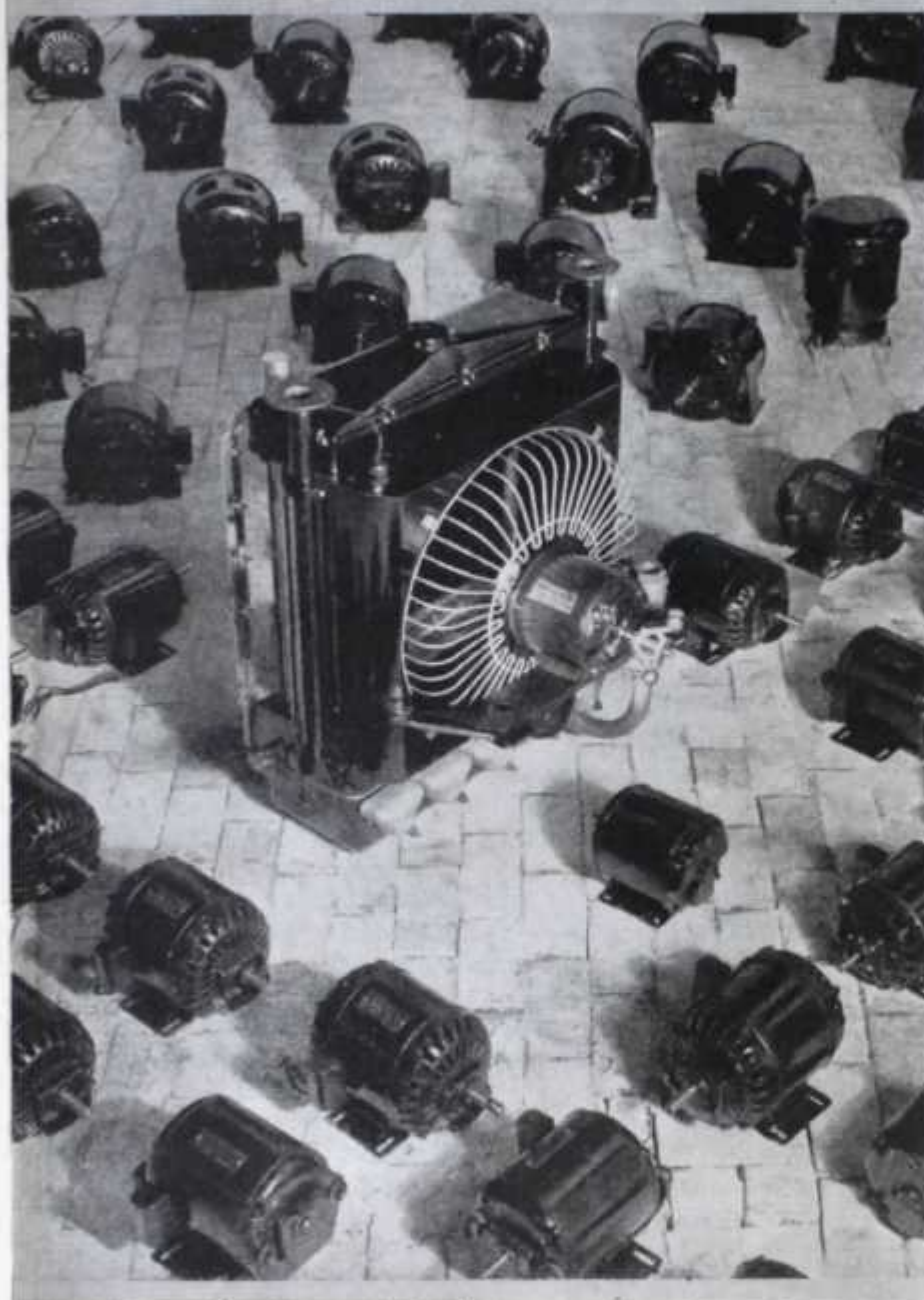
As the exact scope of the accountant's activities and responsibilities is not set by any specific legal enactments, the range must therefore be limited by the requirements fixed by the profession itself, and by those bodies of a legal or a quasi-legal character which have been recognized as regulating its policies.

A study of various examinations reveals that the accountant entitled to a professional degree is required to have a fundamental knowledge of economics, of common law, and of statutory law applying to commercial transactions. He must also have a thorough knowledge of the laws governing accountability for funds, and a skill in the proper classification and recording of all financial transactions. He must know "the responsibilities of all persons concerned with the handling of values, the proper classification of assets and of liabilities, and of nominal accounts to meet the requirements not only of law, but of business practice."

In the public and private practice of accounting three great divisions are included—planning the accounts, operating the accounts, and auditing them.

The Cheapest Motor

The cheapest motor, regardless of price, is the one that will give the most customer satisfaction. The right motor makes friends of users and builds new business. Let Wagner engineers help your sales department by choosing the motor for your job. If you have not compared your present motor with the latest Wagner improvements you may find yourself behind competition.



Wagner, Quality

Wagner builds every commercial type of motor and can recommend without prejudice.

Literature on Request

**WAGNER ELECTRIC
CORPORATION**

6400 Plymouth Ave., St. Louis

Sales and Service in 25 Cities

PRODUCTS . . . FANS; DESK, WALL, CEILING
TRANSFORMERS; POWER, DISTRIBUTION, INSTRUMENT
MOTORS; SINGLE-PHASE, POLYPHASE, DIRECT CURRENT

The public accountant is chiefly concerned with the fields defined by the first and third classifications. To the private accountant comes the work of operating the accounting records, a complicated activity requiring in its upper levels men of developed technical and executive capacities.

Accounting is a service department of business and of government. Accounting and control are clearly not ends in themselves, nor is there any decisive usefulness in the isolation of accounting. It must be practically related to all other departments of a business or a government. The breadth of that relation is indicated in a definition which developed at the last International Congress on Accounting, in conversation with several public accountants:

"An accountant is one who can conceive, place in operation and operate a set of accounts adequate to reflect all operations and conditions of a business or a government in such a manner as to provide the management or administration with an intelligent measure of control."

Care for all happenings

TO QUOTE Paul Mazur, of Lehman Brothers, bankers, the important tasks of accounting are, first, to inform the management and owners of an industry concerning what has happened, what is happening, what may happen, what can happen, and what will happen in business; and second, to provide the accounting and statistical basis for controlling what is happening, what may, can, and will happen.

A really useful system of accounts, another advocate declares, should enable a manager to establish a "par" for his business course. It should then disclose to him what is happening, so that he may know how nearly his standards are being maintained. Finally, information on records and the reports prepared from them should be in sufficient detail to assist in reducing costs and increasing production, thereby enabling him to approach more nearly or possibly surpass the predetermined standards.

Industrial decay and death will come to the firm that ignores the importance of cost accounting. There is a vital progression in this sequence: lower production costs, which mean reduced selling prices, which mean increased business, which will further reduce costs.

The reduction of costs is the chief advantage gained from studying costs, and it exerts an enormous influence economically on the life of business.

As it is inconceivable that a merchant

HAVE DRINKING WATER THAT ALWAYS TASTES RIGHT!



A Frigidaire Cooler will keep it at temperatures just to your taste... never too warm... never too cold

Do you know how easily you can have a Frigidaire Water Cooler in your office? A complete cooler can be installed in just a few minutes. Then you'll have drinking water you'll like... water that is always cool... always just right.

And your Frigidaire Cooler can be placed wherever you want it... right beside your desk if you wish. For it is so quiet that it will never disturb you.

Furthermore, it actually costs less to have Frigidaire-cooled water than to get along without it. For Frigidaire Water Coolers end ice bills. They stop the waste of "letting water run until



it's cool". They quickly pay for themselves and return big dividends besides.

Let us send you complete information about Frigidaire Water Coolers. Let us tell you about their automatic, trouble-free operation... how they are designed to harmonize with modern office furnishings. Mail the coupon for our latest booklet today.



★Frigidaire Water Cooling Equipment includes individual unit systems for either bottled or city water. Also equipment for use with existing bubblers or fountains. There are models for homes, offices, theatres, hotels, restaurants, clubs, hospitals and factories.

FRIGIDAIRE WATER COOLERS

FRIGIDAIRE CORPORATION,
Subsidiary of General Motors Corp.,
Dept. P-52, Dayton, Ohio.
Please send me your new illustrated
booklet on Frigidaire Water Coolers.

Name.....

Address.....

Even insurance policies may differ underneath

REMEMBER the story about the cook who marked one pie T. M. for "Tis Mince," the other T. M. for "Tain't Mince." They looked alike but what a difference underneath!

Insurance policies too may look alike and still be of very different value. For even where policies are exactly the same, the differences between companies are ultimately reflected in carrying out the contracts... differences of stability and integrity—and of sympathy and understanding.

There is a wide contrast between living up to the spirit or merely the cold letter of an agreement. And those of us who live and work with insurance policies know that a little heart mixed with the coldest transactions, changes them from mere transactions to warm, red-blooded human relationships.

Insurance is more than the handmaiden of commerce. It is of equally great value from the human aspect. Indeed it was originally more of a personal, social institution than a commercial tool. For after all, it *was* and *is* simply a grouping of people, who have been selected for their honesty and integrity to join with fellowmen in creating a system of mutual help.

It is only the seasoned company long experienced in dealing with men and women from all walks of life—in constant daily contact with human catastrophes—that can sense the need for friendly, sympathetic cooperation... Young "institutions," or small ones, unmellowed by the years, are apt to lose sight of the fact that business cannot be good business unless it is human.

Agricultural is an old, old company... more than three-quarters of a century. Its dealings with thousands of policyholders and agents have engendered a spirit of mutual esteem, rare in this advanced day of business.

Agricultural agents are Agricultural;... and like Agricultural, sympathetic, sincere, understanding and worthy of confidence.



~~~~~  
You can obtain  
Agricultural Policies  
for all coverages such as:

FIRE • PARCEL POST  
AUTOMOBILE • MARINE  
USE AND OCCUPANCY  
RENT AND LEASEHOLD  
WINDSTORM • FLOATERS  
SPRINKLER LEAKAGE  
REGISTERED MAIL  
TRANSIT • EARTHQUAKE  
TOURISTS' BAGGAGE  
EXPLOSION AND RIOT  
AIRCRAFT DAMAGE  
~~~~~

should sell any finished product without knowing what he paid for it, it is inadmissible that the manufacturer should not know how much the product cost him by taking into consideration all the elements that have contributed to its production.

In the face of an increasing demand for scientific methods of distribution to supersede haphazard and wasteful practices, it is inevitable that the accountant will be called upon to make accurate and revealing analyses of distribution costs.

Within the last two or three years accountants have helped distributors and manufacturers to see that many of the customers served are unprofitable. They are learning that no imaginable saving in production can compensate for the excessive distribution costs which have attended some of the volume obtained.

Despite this awakening, accountants report that distribution cost-accounting still represents an almost untouched field for study and experimentation. In view of the importance of the distribution problem the need for adequate and intelligible analyses of distribution costs invites a broader and more intensive application of accounting to this particular field.

Among the means developed to aid in the administration of large business enterprises, none, perhaps, has been more useful than well-devised methods of budgeting control. The rapid growth of many of these large-scale enterprises has induced steady trend toward more and more specialization of administrative and operating functions.

Budget is a fiscal program

THE Bell Telephone Companies, to give an example, have been operating under a budget plan for about 20 years. As the companies developed, the budget developed. Originally set up as an annual forecast for one year, it now covers the ensuing five-year period.

There is nothing awesome or mysterious about budgets or budget making. A budget is merely a financial program or plan for a definite fiscal period. It cannot stimulate scientific methods of getting business done, or force the elimination of waste in salaries or supplies.

A budget can provide for the systematic planning of the activities of all departments of a business. With these plans translated into terms of cost and of revenue, it will provide information for the preparation of a company budget which, in turn, permits executive

Agricultural
Insurance Company.
of Watertown, N.Y.

scrutiny of detailed progress in the light of prospective results—in short, the coordination and consistency of a company's activities.

The trouble is that the budget has not been humanized. It needs something of the fervor and exaltation that Samuel Pepys put into his household accounting.

In its application to the affairs of government the budget should make front page news, yet it is clear enough that the citizen needs guidance for his understanding of its personal significance.

"The budget," says Dr. A. R. Hatton of Northwestern University, "may be made the most potent instrument of democracy."

Inefficient government books

SOME accountants feel that probably no phase of accounting has been so neglected as governmental accounting. Oscar F. Goddard, of Honolulu, says this situation is due largely to the fact that governments have no competitors, their turnover in executives and officials is high, and they have failed in the past to make governmental service attractive to high class accountants. In recent years, public opinion is demanding more efficiency in government, and colleges and universities are now offering courses on government administration. A young man may prepare himself to become a government executive—or a government employee or executive may improve his ability by special study or post-graduate work, much the same as is possible in other professions, an improvement that is gradually making a higher standard in this field.

From papers presented at the International Congress on Accounting in New York it is evident that the conceptions of a system of accounting for municipal or local government must in some respects have less scope than accounting in private business management.

In business good accounting helps to induce greater profits. In local government it may only serve the negative purpose of arresting the growth of expenditure to conform to public opinion.

Should reveal financial state

BUT, although the purposes of the income and expenses flowing into and out of the public purse may be limited by law, or other powerful restraining factors, the working results of local administration brought out by the accountant should disclose the financial position, and all the details leading up to the



"IT CAN'T BE DONE"

Nor so long ago a woodworker conceived the idea of a machine for cutting finished moulding from raw lumber in a single operation. Its commercial success depended upon securing a high-speed motor capable of driving cutting tools through hardwood with the nicety of a sculptor's chisel—and without splitting or gouging the wood. Without going into technicalities, such a motor presented many difficulties—so many that the inventor was repeatedly told, "It can't be done." Then he came to Robbins & Myers. It was a small job, one that would never mean much volume, but it was a challenge! We marshaled our experience, applied our ingenuity and proceeded to build a new motor from the base up—so successfully that today the cost of producing moulding has been almost cut in half, while we have gained new knowledge from which many industries may profit.

If you have a problem in electrical-motored machinery, come to Robbins & Myers. We offer you the facilities of a completely modern plant, and the experience of 32 years' precision manufacture in designing, building and applying electric motors, generators, fans, and electrical appliances

Robbins & Myers, Inc.

Springfield, Ohio

Brantford, Ontario

1878



1930

MOTORS, FANS, HAND AND ELECTRIC HOISTS AND CRANES



The Lockheed "REGISTER"

SINCE JANUARY 1, 1930

the following distinguished persons and corporations in the United States and abroad have taken delivery of or have placed orders for new Lockheeds:

COLONEL CHARLES A. LINDBERGH
AMELIA EARHART

LIEUTENANT JAMES DOOLITTLE
Shell Petroleum Corporation

COLONEL ARTHUR C. GOEBEL
LIEUTENANT A. HAROLD BROMLEY
for the Tacoma Chamber of Commerce

GENERAL ROBERTO FIERRO
Director of Civil Aviation, Mexican Government

CAPTAIN JOHN A. MacCREADY
Shell Oil Company of California

JOHANNA FAY SHANKLE of Boston
MONSIGNOR E. G. EORDOGH
for the Hungarian-American Ocean Flight

ASA CANDLER, JR., of Atlanta

JOHN HENRY MEARS of New York
ALASKA-WASHINGTON AIRWAYS
Seattle (two planes)

NEW YORK, RIO & BUENOS AIRES
LINE, INC. (two planes)

DETROIT AIRCRAFT

UNION TRUST BUILDING, DETROIT

CHANIN BLDG., NEW YORK :: ROOSEVELT BLDG., LOS ANGELES

LOCKHEED AIRCRAFT CORPORATION
EASTMAN AIRCRAFT CORPORATION
RYAN AIRCRAFT CORPORATION
AIRCRAFT PARTS CO., INCORPORATED
PARKS AIR COLLEGE, INCORPORATED
PARKS AIRCRAFT CORPORATION

BLACKBURN AIRCRAFT CORPORATION
AIRCRAFT DEVELOPMENT CORPORATION
MARINE AIRCRAFT CORPORATION
GROSSE ILE AIRPORT, INCORPORATED
GLIDERS, INCORPORATED
DETROIT AIRCRAFT EXPORT CORP.



When writing to DETROIT AIRCRAFT or its divisions please mention Nation's Business

amounts of revenue and expenditure. As society becomes more dependent on the functions of government, and as the burden of taxation mounts, public spirited citizens are demanding accounting to provide up-to-the-minute information on the economy of government.

It is becoming more and more the custom for intelligent investors to study the published accounts of an enterprise with a view to judging the character of its control and financial stability, and whether the operating results disclosed foreshadow the maintenance of profits with a potential increase of earnings. And last, but not least, they look to find the signature of the auditors and accountants—the guarantee that the statements signify an honest representation of the company's position.

The task of those responsible for the financial reports of corporations has become more difficult and more delicate, and because the accountants for corporations should be their most disinterested advisers, the opportunity for their service is tremendously enlarged. The public accountant can help prevent the application of policies injurious to investors for he can protect interests adversely affected by management through his insistence that its actions be disclosed.

The accounting year

THE present campaign for the natural business year began with the public accountants who recognized that the worth-while constructive service they could render their clients was being heavily curtailed by the congestion of work immediately following the end of the calendar year. The employing accountant cannot remedy this difficulty by employing more men, for enough properly trained men to fill the need are not available.

Most business enterprises feel the oppressiveness of the annual book closing. It is a time of commotion, of irritation, of excitement. Inventories must be taken, bills must be gathered in, questions must be settled as to obsolescence, valuation and the like—and business must go on "as usual."

Much of this trouble could be avoided, accountants think, if the accounting period conformed to the 12 consecutive months which coincide with the annual cycle of operations of the enterprise. The cycle would be completed when the operations were at their lowest point, and in whatever month that point happened to be for each industry.

One of the most important business

Industrial . . .

LOS ANGELES COUNTY



The Ford Factory at Los Angeles-Long Beach Harbor, nearly completed.



United States Steel Corporation enters Los Angeles County in 1929.



The Willard Storage Battery new factory to serve the Western States.



The Continental Can Corporation's new factory serves the Pacific Southwest.



© SPENCE

OFFERS to manufacturers a local market of 2,500,000, of the same metropolitan character as Chicago and New York,—a large central city surrounded by smaller communities,—with adequate space for economic, well balanced growth:

—With highest income, savings deposits, purchasing power and automobile ownership per capita in the United States.

—With quick and economical transportation by motor truck, rail and airplane lines to nearby markets which comprise 40 per cent of the population of the Coast States, and 175 steamship companies to and from Los Angeles Harbor in foreign and domestic trade;

—With more local, basic raw materials of industry than any Coast community, and imports at low cost;

—With the only local supplies of petroleum and

natural gas among cities of the coast, abundant cheap water and electric power;

—With unsurpassed labor supply and efficiency, working under ideal climatic and living conditions;

—With a present manufactured output exceeding a billion dollars annually, and \$35,000,000 invested in new factories and expansions last year, at lowest costs of building and maintenance;

—With a program of general development in 1930 of \$400,000,000—

The Eastern manufacturer finds here the dominant industrial and distribution center and most marked progress in the West, with the highest average of advantages for the location of his Pacific Coast factory.

Detailed information for any specific industry will be cheerfully furnished free of cost or obligation.

Industrial Department

Los Angeles Chamber of Commerce



INDUSTRIAL LOS ANGELES COUNTY

When writing to LOS ANGELES CHAMBER OF COMMERCE please mention Nation's Business



What depends on TRANSMISSION?

TRANSMISSION trouble again?—the motor or shaft from which the drive takes power is stilled; all the processes to which it transmits power are idle. Overhead mounts up, production tapers off, schedules are upset, deliveries affected. . .

What depends on transmission? Enough to warrant its most careful selection. In making your selection, remember that ruggedness resists adverse conditions; that simplicity, and fewness of parts, are a good preventative of friction and wear; that rolling contact parts also resist wear to the greatest extent.

Diamond High-Speed Roller Chain embodies the principle of rolling contacts; its construction permits the contact parts to be heat-treated for wear-resistance alone, the links to be processed for tensile strength alone; its construction is simple.

Machine builders and users in 112 major divisions of America's industry have found Diamond Roller Chain to be the ultimate in trouble-free and efficient transmission. It transmits 98-99% of power at 100% of speed . . . up to 3600 R.P.M. Send for Booklet 104, "Simplifying and Improving Machine Design"—describing this efficient drive.

DIAMOND CHAIN & MFG. CO.
417 Kentucky Ave., Indianapolis, Ind.

DIAMOND CHAIN

DIAMOND CHAIN & MFG. COMPANY,
417 Kentucky Avenue, Indianapolis, Ind.

Please send me a copy of Diamond Chain Booklet No. 104, "Simplifying and Improving Machine Design".

Name.....

Company Name.....

Address.....

City..... State.....

(A-508R)

When writing please mention Nation's Business

signs of the times is the trade association movement. As a prerequisite to the complication of their financial and operating statistics it has become necessary for trade associations to develop and adopt a uniform system of accounts, that the information supplied to the central bureau will be of comparable character.

The broadening scope of accountancy's services is increasingly evident. In its organized form the profession is still young in this country, for it was not established until the late '80's. The movement toward professional solidarity was considerably accelerated by the arrival in this country of English and Scotch accountants retained by foreign syndicates to report on the worth of American properties in which they were interested.

No lack of organizations

NOW there are both number and variety in the organization of accountants. In the list of Commercial and Industrial Organizations of the United States, Revised Edition, 1929, published and noted under "Accounting and Accountants" are:

The Actuarial Society of America, American Bureau of Metal Statistics, American Cooperative Auditing Association, American Institute of Accountants, American Institute of Actuaries, American Society of Accountants, American Society of Certified Public Accountants, Association of Water Line Accounting Officers, Central Electric Railway Accountants Association, Central Railway Club, Cost Association of the Paper Industry, Eastern Millwork Bureau, Financial Advertisers Association, International Association of Comptroller and Accounting Officers, International Fixed Calendar League, Millwork Cost Bureau, National Association of Certified Public Accountants, National Association of Cost Accountants, Printing Ink Cost Bureau, and Railway Accounting Officers Association.

New York State led the way

THE first accountancy law was enacted in New York State, and signed by its governor in 1896. This law was the model until 1924, though each state that enacted a law put in new items. In general, the legislation included a state board with powers to admit applicants to examination and to grant certificates to those who passed, authorizing the holders of the certificates to call themselves certified public accountants, pro-

hibiting all others from using the title, and empowering the board to revoke certificates for cause.

The certificates granted by the state boards have fallen under three general heads:

Waiver certificates, examination certificates granted to those practicing when the laws were passed; examination certificates to those who passed tests; and recognition certificates granted in one state to holders of C. P. A. certificates issued by other states, or of chartered accountant certificates which individual boards were willing to recognize.

From 1896 to June 30, 1929, 13,849 certificates of record have been issued by various boards to 11,846 persons—1,725 recognition certificates, several persons having obtained from three to 18 each. Of the total number of certificates, 1,852 were waiver certificates and 10,272 were issued on the results of tests.

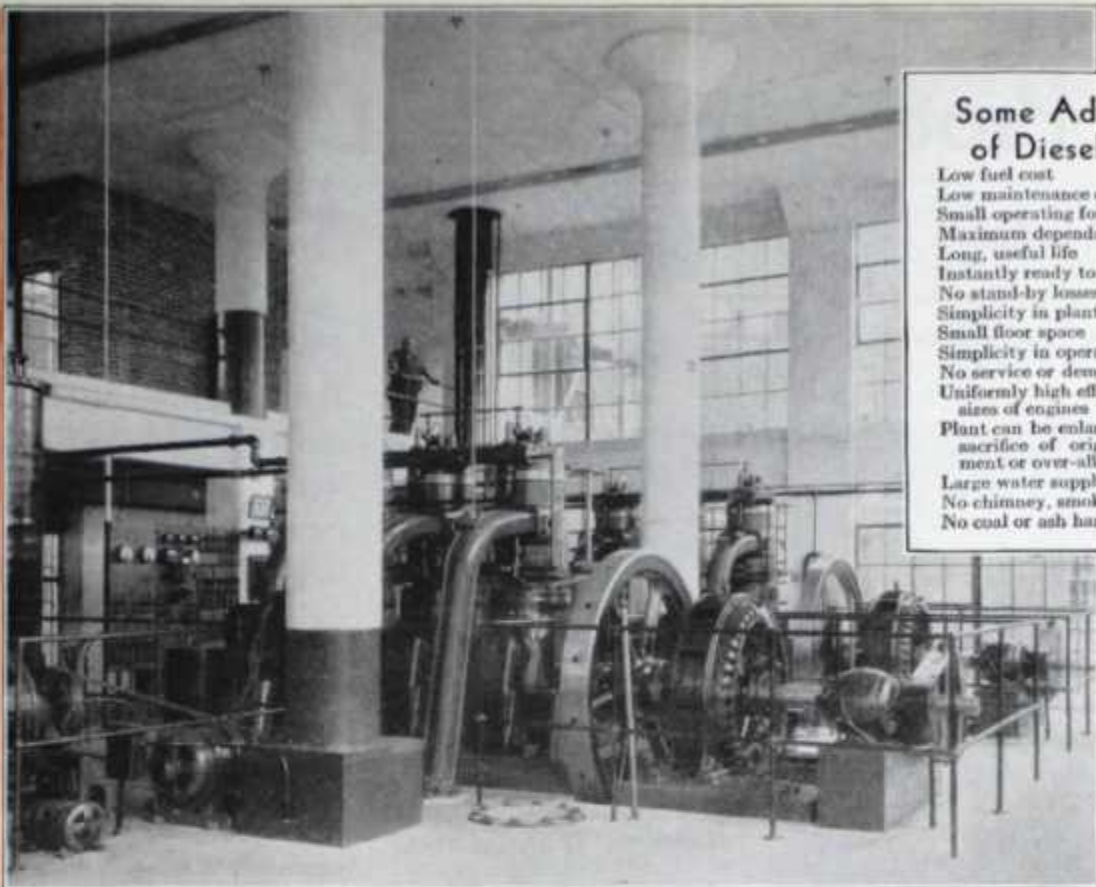
From its humble beginnings in the '80's accountancy has risen to a national usefulness and esteem. It has undertaken to safeguard its good name with intelligent regard for the educational and moral qualities of its practitioners, and, by initiating and supporting appropriate legislation, it has given a dependable meaning to its public and its private services.

Sticking to their lasts

THIS high position has been attained because the profession has carefully limited its undertakings to those phases of work in which it has demonstrated its abilities and its skill. The accountant has not laid claim to being an insurer, an appraiser, or a guarantor. He has limited his work, so far as certified statements go, to the expression of facts determinable by accounting procedures, and to opinions based on accounting skill and experience.

In the changing world of industry, accounting has a more dynamic place to fill. A livelier part will succeed the quiet claim of the "post mortem" as characteristic of the accountant's rôle in industry. Whether he be regarded as a business or a professional man, he is certainly in a key position in the new order of things.

A growing public confidence in his work and the enlarging demand for his services invite him to project his tradition of usefulness. For himself, he will readily certify Stevenson's earlier audit of life, "Practice is a more intricate and desperate business than the toughest theorizing."



Some Advantages of Diesel Power

Low fuel cost
 Low maintenance cost
 Small operating force
 Maximum dependability
 Long, useful life
 Instantly ready to deliver full power
 No stand-by losses
 Simplicity in plant design
 Small floor space
 Simplicity in operation
 No service or demand charges
 Uniformly high efficiency in all sizes of engines
 Plant can be enlarged without sacrifice of original investment or over-all economy
 Large water supply unnecessary
 No chimney, smoke, ashes
 No coal or ash handling apparatus

"... therefore our power plant COST US NOTHING!"

In summing up a two-year cost report on their two 180 hp. Fairbanks-Morse Diesel-generating units, Hobart Brothers at Troy, Ohio, say "... therefore our power plant cost us nothing!"

Using cheap, low-grade fuel oil—and getting a far greater return in usable energy than any other form of power known to modern engineering—these engines in the Hobart Plant actually have paid for themselves out of savings and will increase profits for years to come.

So certain are the economies of Diesel power that America's largest manufacturer of these engines, Fairbanks, Morse and Company, has completed a plan whereby the difference between your present power costs and the lower cost of Diesel generated power, actually becomes the payments on the engines.

Savings as great as 50% are not uncommon in the record of nearly 2,000,000 horsepower of F-M Diesels now in service. No wonder they pay for themselves in a surprisingly short time.

Fairbanks-Morse engineers are available for a survey of the power needs and costs in your plant. They will then show you from your own records the important savings which can be made. Cutting costs and not profits is the real answer to competition. Don't overlook the major item of power. Write today saying you are willing to learn the facts.

FAIRBANKS, MORSE & CO.

900 S. Wabash Ave., Chicago

32 branches at your service throughout the United States

This booklet explains in detail the unique Savings Payment Plan whereby F-M Diesels actually pay for themselves. A copy will be sent to executives on request.



FAIRBANKS-MORSE



DIESEL ENGINES

MOTORS • PUMPS • SCALES

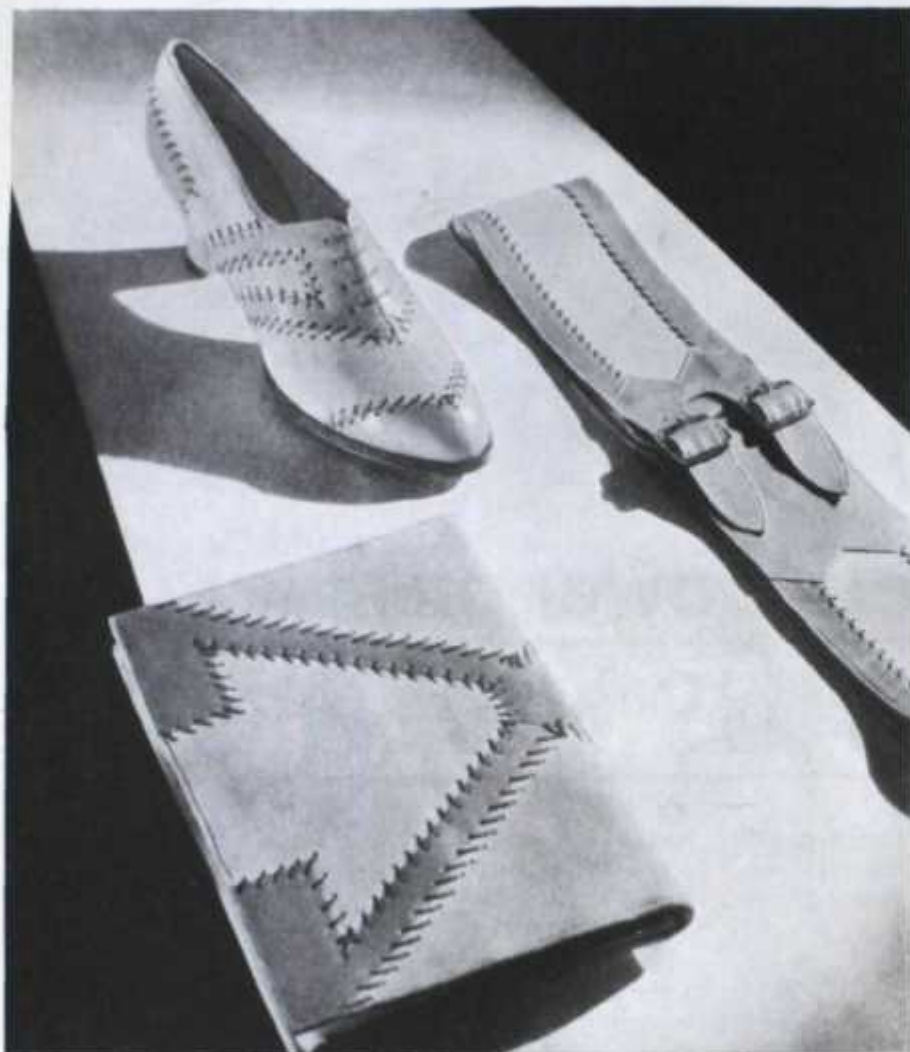
OA40.45

Let's Protect the Style Designer

By MARY E. BENDELARI

Designer of the Deauville Sandal

PHOTOGRAPHS BY PENNEBAKER



The same design carried out in shoes, bag and belt is a new style development but, under American law the design cannot be protected

AS AN American girl, designing shoes in the United States, and manufacturing a small production of handmade shoes in Europe, I have watched the shoe business and the tariff carefully. After due study, it seems to me that one thing has been left unsaid, both in regard to the tariff and to what style means to business in the United States today.

In my business, the manufacturers say they want a shoe tariff because they

are overproduced, and foreign shoes make it difficult for them to sell against imported products. The actual figures from Washington last year show that the United States exported six times as many shoes as it imported.

Why don't manufacturers get down to what is really behind all this? Why are those foreign shoes selling in the United States? To say that labor costs and such things are lower, and that this makes a difference in a country where things are so highly efficient that almost

THE present life of a fashion is only about six weeks and the designers frequently make no profit from them. Miss Bendelari explains why and how the loss may be reduced

anything can be sold with the proper sales force, seems ridiculous to me. Why do people buy these foreign shoes? They certainly are not comfortable in the cheaper grades from Czecho-Slovakia. Not more than say 20 per cent of them fit, and those 20 per cent are in the most expensive and least competitive grades.

Not price, but design

BUT take this Czecho-Slovakian sandal that is so much talked of. Women want it, there is no question about it. It's novel, it's different, the colorings are foreign, it's a thing that never can be made in the United States because we haven't the hand labor. But just putting up the duty is not going to keep women from buying it.

But why do they want it? Let's come back again to this question. They want it because it's different, because there is more design, more novelty, than anything which the American manufacturer will take the trouble to do. To me, that is the whole key of what is wrong with the shoe business and a tariff will not cure the fact that they do not do enough good designing.

Many industries are calling for fashion; calling for it but they will not pay for it. They won't pay for it because there is no protection in America for manufacturer's or retailer's designs. Therefore, why should they?

The cheap shop and the expensive shop can copy the same sources. Some stores carry great fashion research departments simply to be aped at once by cheaper and less scrupulous manufacturers and retailers. But what of the

poor creator or designer? America is going to Europe for ideas and paying terrific premiums. An American commercial artist who depends on his originality for his income is not making enough to live on.

The shoe business is only part of a movement which concerns all business in which style enters and today style enters everything.

Fashion in industry will be served. This has become an economic necessity and therefore we must make some law to cover it. For out of the turmoil that is French influence, and Russian influence, and English influence, has arisen an American influence. Things distinctly American are being advertised. From talking machines to bath towels, from alarm clocks to rubber mats, from automobiles to gloves, everything in modern business is being styled.

Americans are doing this styling and doing it well. How can we foster this new design movement in America, thereby producing artists in a more or less prosaic country?

What kind of laws have we to protect their creative efforts so that they can commercialize their own ideas and not be preyed on by copyists? The answer is, practically speaking, nothing. Such protection as our present laws afford is inadequate to put it mildly.

No registry of design

THE only thing we have is a copyright law which protects the graphic artist whose pictures are on a flat surface and it does not even protect him if his pictures are on a flat surface of silk. It says nothing for the artist of commerce whose design is carried out on an object of more than two dimensions.

We are not a member of the International Copyright Congress. If an American creates a design in a foreign country and has it copyrighted, the foreign government will protect him. If that same thing is recopied in America, he will have no hope of obtaining anything except lawyers' bills.

Copying is a crime in Europe because they say, "Is it any less criminal to steal a person's ideas than his pocketbook?"

Today the retailer is

spending a great deal of money for fashion. Store stylists are hired whose only function is to read the fashion barometer. Some stores are even employing designers and running their own little workshops. These little manufacturing ventures invariably cost an average of three times what they gross.

One would think this expense and the fact that certain merchandise loses its value when a copyist shop across the street has it, would convince the retailers that there must be a better system.

The average life of styles in retail stores today is six weeks. Therefore the retailer uses the "hand-to-mouth" buying method and even loses sales by not having sizes for his public. Then if a cheap copy house gets his design, the retailer must sell, usually below cost price.

The Vestal Design Copyright Bill proposes a longer protective time if we wish to avail ourselves of it. Even six months' protection on a design would mean much to a retailer and to the manufacturer.

Think of the joy of having some really good basic styles created by designers. The retailer would be able to size up for five or six months while the things remain in season. Would not the retailer

give a great deal if his buyers did not have to guess the public fashion pulse? The buyers, in turn, would not keep the manufacturer waiting for hours while they made up their minds.

They would want to profit by a few good manufacturers' attention.

Under the present hand-to-mouth system, the manufacturer has been getting a rough deal. With a proper law, instead of losing tremendous amounts in bad patterns and trying to work up business where there isn't any, manufacturers could hire a designer with a good creative mind and turn out things which would sell more easily.

We have no conception of how art will influence and improve the lives of millions of Americans. There is no counting how this might improve the nation's idealistic and aesthetic growth.

A good style helps industry

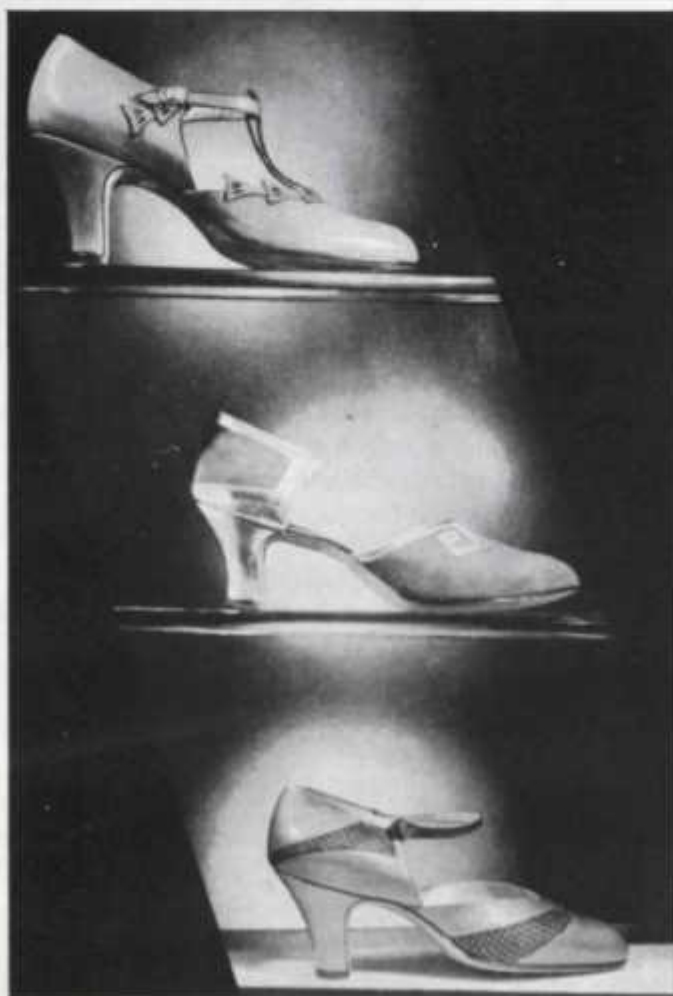
STYLING engineers help many industries as illustrated in the following stories. A girl went to a talking machine company and asked a large sum of money to be their stylist. They considered her price high but said the main thing was to change talking machines so that they didn't look like talking machines.

Things were modernizing. The old shape of the talking machines did not fit in with modern furniture.

She returned to New York, and after a week's work, produced a talking machine which looked like a bookcase. There was no sign of the works and all the records were concealed in books. She arrived at the factory one morning. All the officers saw it and their one remark was, "Won't do; it doesn't look like a talking machine."

She asked them to remember what they had said when they employed her. After a great deal of argument the bookcase came out. It has become the most talked of and successful article on the music market today.

A girl took a plaited and woven shoe into a New England shoe shop, five years ago. These were her original designs. The son, a partner in the firm, ordered some. His father saw them on his desk and was much amused



The merchant who stocks these shoes may find tomorrow that they have been copied by a cheaper house

THE distribution of the booklet pictured below is restricted. It will not interest those who are merely curious. It is offered only to mature men who are seriously interested in their own business progress. If you are not such a man, *please do not write.*



JUST PUBLISHED

A new booklet . . . announcing a new Series of Business Courses

REVOLUTIONARY changes are taking place in the business world.

Security prices are subject to a whole new set of conditions.

Little business units are being merged into big units.

Industries are reaching out into foreign markets.

Production methods are being revolutionized.

The sales organization and strategy of the past are entirely unfitted to cope with the new competition.

To meet these new conditions, the Alexander Hamilton Institute has prepared an *entirely new series of business courses.*

Among the contributors to these courses are the biggest

and most progressive men in business today.

These courses are new from start to finish—so new that the latter part will not be off the presses for some months.

A booklet about this training is just off the press. This booklet is valuable; it contains facts of interest to all forward-looking business men.

The booklet is free. To help us prevent its falling into the hands of men for whom it has no message, we ask you merely to fill in the spaces in the coupon below. Doing so entails no obligation. As the edition of the booklet is limited, we suggest strongly that you send for your copy immediately.



ALEXANDER HAMILTON INSTITUTE

To the Alexander Hamilton Institute, 268 Astor Place, New York City.
(In Canada address Alexander Hamilton Institute, Ltd., C. F. R. Building, Toronto)

Send me without obligation the new booklet, "What an Executive Should Know."

Name _____ Age _____

Business Address _____

Business Position _____ What type of business are you in? _____

When writing to ALEXANDER HAMILTON INSTITUTE please mention *Nation's Business*

with the possibility of making money on such "crazy" shoes.

Last year the father, who has since retired, saw this same girl in the shop. He came up and congratulated her, saying that her shoes had brought more interest into their store and made them more money proportionally than any other shoes that they had. And yet, this girl could make no money selling her design. She had to manufacture the shoes to prove their success. Some of us are not fortunate enough to have the finances. Her father did have and backed her.

Further, although these woven shoes have sold in millions and millions of pairs she can get no return from her creative work because the United States is not a member of the International Copyright Congress, because America does not protect her artists as the other countries do.

I tell these stories feelingly as I am that girl. One New York store copied a shoe of mine in 15,000 pairs. I had made the pattern by carelessly holding my glasses over my instep and imagining a strap passing through the two loops. I saw that the buyer had bought a pair of my shoes in the retail shop in Paris and asked him for my royalty on all that he had been able to sell. He said, "Your check?—I copied those!"

Over a million pairs of that pattern have been made in the United States alone; it is now known as the "slave ring" pattern. Yet I cannot get one cent of money out of it.

I have been particularly fortunate in having my father back me financially in this business whim of mine, even if I have not been able to get any royalty for my designs. I am pleading this, not for myself, but for the hundreds and thousands of girls and boys in the United States who have ideas but no financial backing.

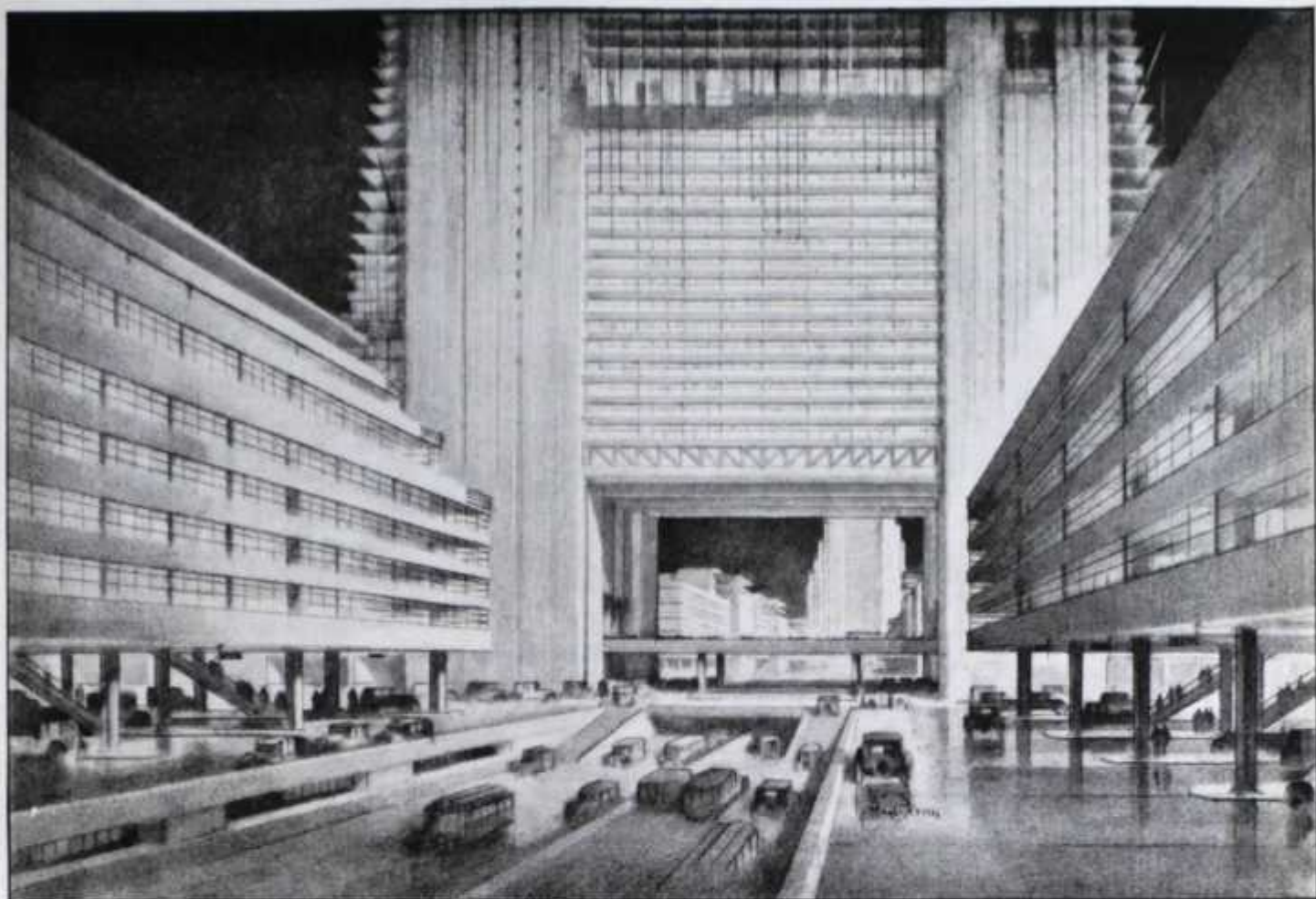
Franklin's Whisk Broom

BENJAMIN FRANKLIN was responsible for the introduction of broom corn into the American colonies, and thus for the start of the American broom-manufacturing business.

Franklin received a gift of a whisk broom from India. Fastened to the wisps were a few seeds. Franklin planted them and distributed the seeds from the first few crops among his many friends and acquaintances. The broom corn flourished and an industry resulted.

—A. P. R.

STRUCTURAL STEEL CREATED THE SKYSCRAPER DREAMS THAT WILL LIVE IN STEEL



AN ENLARGEMENT OF THIS HUGH FERRISS RENDERING, ON SPECIAL STOCK FOR FRAMING, WILL BE MAILED WITHOUT CHARGE TO ANY ARCHITECT, ENGINEER, OR BUSINESS EXECUTIVE.

How HIGH the new city holds its head! The vaulting arch . . . the arrogant spire . . . the clean-limbed river span . . . these safely dare to reach so far *because steel is in their veins.*

Versatile steel! Worker of miracles solely through proved engineering formulæ and the competent art of drafting boards! For steel's adaptability, steel's strength and security are definitely known—controlled by scientific test and analysis at every stage in its manufacture.

The co-operative non-profit service organization of the structural steel industry of North America. Through its extensive test and research program, the Institute aims to establish the full facts regarding steel in relation to every type of construction. The Institute's many publications, covering every



Structural steel brings speed, safety and economy to the erection of small as well as large structures—to homes, apartment and mercantile houses, schools and small bridges. Before building anything find out what steel can do for you. The Institute serves as a clearing house for technical and economic information on structural steel, and offers full and free co-operation in the use of such data to architects, engineers and all others interested.

phase of steel construction, are available on request. Please address all inquiries to 200 Madison Avenue, New York City. District offices in New York, Worcester, Philadelphia, Birmingham, Cleveland, Chicago, Milwaukee, St. Louis, Topeka, Dallas and San Francisco.

AMERICAN INSTITUTE OF STEEL CONSTRUCTION

STEEL INSURES STRENGTH AND SECURITY

When writing to AMERICAN INSTITUTE OF STEEL CONSTRUCTION please mention Nation's Business

HAND CRAFTSMANSHIP



○The craftsmanlike manner in which rich woods are tailored to form Circle A Partitions suits them for even the handsomest office or board room.

They give eye-restfulness. Their design is irreproachable in taste. Time deepens the character of these walls.

With such skill are they constructed . . . that observers are surprised to learn they can be moved, and new offices formed in a few hours—leaving no trace of alteration.

And, where dollars must do extra service: Circle A Partitions build offices for less per foot than would be imagined. Your name brings complete, file-size catalogue and full details.

CIRCLE A PRODUCTS CORPORATION

658 So. 25th Street, Newcastle, Ind.

New York Office: Farmers Loan and Trust Bldg.
475 Fifth Avenue, New York, N. Y.



When writing please mention Nation's Business

When Our Business Methods Meet the Soviet

(Continued from page 36)

next. I was shown maps and blueprints of sites under consideration and finally taken to see them. That brought in engineers, and negotiations moved more rapidly. Not one man could speak English, but the language of a blueprint is universal.

It became possible to shortcut the interpreters, and finally I dispensed with mine altogether and relied on the employees of Autostroy.

Forty million dollars' worth of construction entails a great deal of figuring. I had but one of my own assistants, but at one time 20 Russian engineers and draftsmen were taking off quantities for me. With their help I was able in less than four weeks to submit a bid for the following work:

Grading and filling the site, drainage and canals, sewage system for factory and residences, roads and pavements, railroads, sidings and lighting; design and construction of assembly shop, forge shop, body shop, sheet metal stamping shop, machine shop, wheel and rim shop, radiator shop, spring shop, lumber storage and dry kilns, laboratories, materials storage, service department, club house, theater, library, laundry, kitchens, athletic field, stadium, hospital, cafeteria, offices, schools, stores and residences; design and complete layout of equipment for gray iron, malleable iron, brass and aluminum foundries, proving grounds and track, ventilating, heating, plumbing, sprinkler system, fire department, compressed air plant, transformer house, acetylene plant and fuel oil system.

An error in the contract

WHEN the contract was signed I did what the engineer always does, announced that I was going to sleep around the clock, got ready for bed and then sat up all night checking figures to see what I had missed. I found one error. It was small in relation to the total, but it represented a loss to my company of a few thousand dollars. Since that was considerably less than it would have cost me to hire the assistance volunteered by the Russians I determined to say nothing about it. But the next day the first Autostroy executive I met informed me that several of

the Russian engineers also had spotted the mistake.

"We shall rewrite the contract and correct it," he added.

Russian engineers had estimated that it would require four years to build the plant outlined. We have agreed to complete it in 15 months from the beginning of actual construction. It could be done in the United States in a year or less. The difference in time is due to a combination of weather and equipment. At home we could work through any temperature, heating materials when necessary. The Russians are not equipped for that sort of operation, and the cold at Nijni Novgorod is evidently intense in midwinter.

Russian and American labor

OUR time estimate, as I have indicated, was based on a careful if rapid study of Russians at work. Given equal facilities and power, I should say they compare favorably with American workmen. I saw no evidences of labor troubles, and no sign of soldiering. The official working day for the trades we shall require ranges from five to seven hours. Bonus systems of payment were in use on most of the operations which I studied, and many construction workers are able to earn the equivalent of about \$250 a month. This is approximately double the legal pay limit for all members of the Soviet Party, whether they are laborers or executives.

In passing it might be noted that the Soviets have established something very much akin to the American corporation to run their multifarious activities. Autostroy is an example. It is allotted a certain capital to begin operations and up to a certain point it may make a profit. I was not long enough in Russia to ascertain how this is divided, and how such extra payments are reconciled with the law limiting the pay of party members, but here again the bonus system is at work.

My study of the operations of these bureaus was chiefly to supplement what I had learned about workmen. It was necessary to know what sort of performance we could expect in the delivery of raw materials. Here the Russians surpassed all my expectations. One in-



The Pacemaker of Modern Business

FROM factory departments up through the general offices to the executive offices—Lamson Pneumatic Tubes set the pace of modern business. In office buildings, banks, stores and institutions, these tubes constitute the arteries joining department to department. Through them pass papers, important messages, mail, bills, records and orders, traveling at express-train speed.

With Lamson Pneumatic Tubes, section superintendents in factories are in constant touch with their foremen. The job ticket itself can be sent to the foreman and returned the instant the job is completed, with the time and materials cost entered on it. Thus the superintendent has complete production control over all his departments.

In general offices, Lamson Pneuma-

tic Tubes completely replace human messengers and obviate the noise and confusion so disturbing to clerical workers and so disrupting to the smooth functionings of a modern business.

Only an expert can fully determine what pneumatic tubes will do for any particular business—the time and money they will save. Lamson representatives are qualified to analyze your paper-handling problem and to make recommendations. If tubes will not improve the conditions, these men will frankly tell you so. If tubes are needed, they will give you the cost and prove to you the savings to be effected.

This skilled service is free. Simply write or wire and a qualified representative will call. You will not be obligated in any way.



"Wings of Business."
This booklet contains information of definite value to you.

THE LAMSON COMPANY, SYRACUSE, N. Y.

Offices in Principal Cities

LAMSON

PNEUMATIC TUBE SYSTEMS

SPEED THE DEPARTMENTAL INTERCHANGE OF PAPERS, FILES AND MESSAGES



"Summer Slump"

is ousted from these TOP-FLOOR ROOMS



7,800 sq. ft. of Armstrong's Corkboard protect the top floor of the Thompson Grocery Co. from Denver's sun. Architects, Mearns and Norton, Contractor, F. J. Kierhof Construction Company.

Everybody's comfortable . . . and more efficient . . . when the roof is insulated . . . with Armstrong's Corkboard

UNLESS the roof of your building is adequately insulated, top-floor rooms will be insufferably hot again this summer. The efficiency of your employees will fall off. Goods will spoil. Customers will become impatient. Yes, there'll be the usual "summer slump."

But a roof insulated with Armstrong's Corkboard will help prevent this. Unlike other roofs, it shuts out not only the sun's rays but the heat as well. It means comfortable working conditions on the hottest days—many degrees cooler than under uninsulated roofs.

Just as it shuts out the heat in summer, it confines the heat of the building in winter. Corkboard Insulation saves so much fuel that it pays for itself in a very short time. It overcomes the problem of condensation too. Ceiling "sweat" and drip are no longer sources of worry.

Armstrong's Corkboard comes in one-and-a-half, two, and three-inch thicknesses, so that adequate insulation can be laid in a single layer. Corkboard Insulation can be laid over any type of base, on old buildings as well as new.

Whether your building be a skyscraper or a grocery store, our booklet, "The Insulation of Roofs with Armstrong's Corkboard," will interest you. Write to the Armstrong Cork & Insulation Company, 903 Concord Street, Lancaster, Penna.



Armstrong's Corkboard Insulation

For the roofs of all buildings

When writing to ARMSTRONG CORK & INSULATION COMPANY please mention Nation's Business

cident in particular is enlightening. At the point where we had determined to place our docks for receiving raw materials it was necessary to dredge about 900 feet from the channel to the shore to get depth enough for the barges. I wanted to get this done before winter so that we could have some supplies at the pier for early spring operation. Just before I started home I saw a modern and extremely powerful dredge on the Volga. I told Autostroy executives we needed it and the dredge was on the job 48 hours later.

The rapidity with which decisions are made and material or equipment shifted from one bureau to another is reminiscent of American war-time industrial operations, but I saw no evidence of the disregard for cost which ran up prices in this country.

The site on which we are to build is a fairly level area of 3,000 acres. It is now occupied in part by three small hamlets. All three of them happened to be in the paths of roads we have planned for the placing of materials. Autostroy had no authority to order these settlements evacuated, but it was able to get immediate action from the governor of the province.

Apartment construction leads

THE Russian housing program is in many ways a key to the country's fundamental industrial attitude. It is confined almost exclusively to apartment buildings, generally of four and five stories. In my eight weeks of investigation I did not see one single dwelling under construction. Necessity is chiefly responsible for this, but undoubtedly habit plays a part.

Except in the rural districts the mass of Russian people has never been able to afford individual dwellings. Under the Czars most of them lived in tenements and hovels.

These tenements now are being replaced by modern, sanitary apartments, and in some instances are being made over. The typical interior will range from three to five rooms, and differs from similar American apartments as a rule only in decorations.

At the motor-plant project we are to provide eventually for a population of 25,000, and all but 6,000 who will live in dormitories of permanent construction are to have apartments of this character. They will include all standard American comforts, but no luxuries. Some Europeans might place certain community units, the theater, athletic fields and stadium in this category. But here again the Russian attitude reflects

More miles AND More calls from your salesmen's cars

TEST ONE REO against your present business cars, and you'll find that it will cover more miles per dollar.

Reo costs less per mile than almost any low-priced car because of its long life. You don't have to trade a Reo in at the end of a year or so—at a depreciation loss of \$400 or more. No, sir! Reo is good for 100,000 miles.

Reo is really good for 100,000 miles!

Reo is good for 100,000 miles. It will stand up under the toughest driving a salesman ever gave a car. That's from three to five years' service. And Reo will not only run well—it will look well. For Reo doesn't believe in—or need—sweeping yearly model changes. The Reos you buy today will still be distinguished looking cars two, three, four years from now. With a car like that, you don't have to worry about depreciation. At the end of 100,000 miles you can afford to scrap the car. You've had your money's worth—and a bit more.

If you're just the least bit skeptical about Reo's lasting so long, we don't blame you. Look up the independent investigation made a few years back.

Based on government registrations, it showed that Reo outlasted all other cars of American origin and manufacture—regardless of price. And since then, Reo has incorporated in the Flying Cloud important features that make it last even longer.

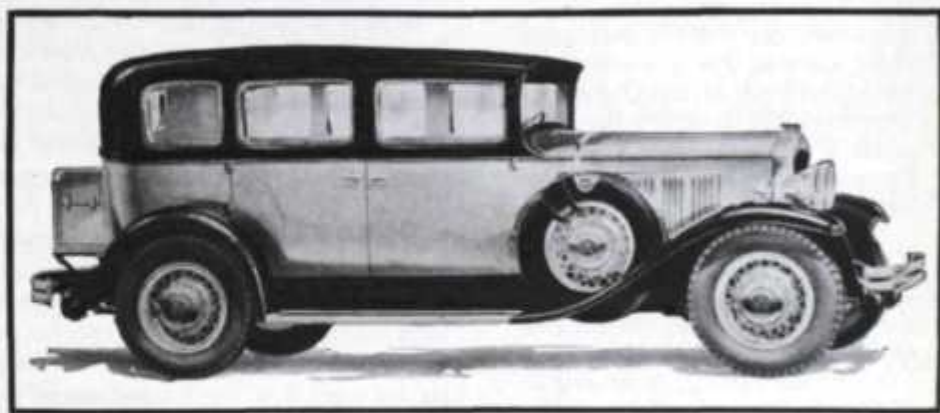
And Reo performs every bit as well as it lasts! From a standing start, it will flash to 70 miles an hour in 26 seconds flat. At any speed, Reo's brakes will stop the car in half the distance the stiffest traffic laws require. And stop without skidding or side-sway, so perfectly are those brakes equalized. They stay equalized, too. Wet weather cannot affect them. And it's no uncommon thing for Reo

brakes to go 50,000 miles without relining.

More calls per day

What's more, Reo is a fast car—and wonderfully smooth and restful at sustained high speeds. Your men can cover more ground—make an extra call or two a day. Yes, and they'll step out to make those calls feeling fresher and less fatigued.

Let your Reo dealer give you both a demonstration and cold, hard figures on Reo's long-run economy. They will convince you that Reo is not only more economical in the end than any low-priced car—but far more satisfactory from the start. Get in touch with your Reo dealer.



The REO FLYING CLOUD... MODEL 25... SPORT SEDAN... EQUIPPED WITH REO SILENT-SECOND TRANSMISSION

Reo prices range from \$1175 to \$1945, f.o.b. Lansing, Michigan

REO FLYING CLOUD
GOOD for 100,000 miles
REO MOTOR CAR COMPANY, Lansing, Michigan



funds with Influence in Every Port

Wherever travelers gather—whatever the port—whatever the language, American Express Travelers Cheques have an established influence. Carry them to Oberammergau, Shanghai, or Buenos Aires—and an American Express uniformed representative is at your elbow, almost as if he knew you were coming.

And the dozens of ways he has of serving you! Places of interest to see? He knows. Steamship, hotel, rail reservations? He will arrange them for you. He is part of the Helpful Hand of the American Express which is yours the very moment you purchase American Express Travelers Cheques, now available in the new, dollar size.

For almost forty years they have insured safe and spendable funds to travelers in almost every part of the world. Issued in denominations of \$10, \$20, \$50, and \$100. Cost 75c for each \$100. Now on sale at 22,000 Banks and offices of the American Express and Railway Express Agency.

 *the new, dollar size*
**AMERICAN
EXPRESS**
Travelers cheques

Steamship tickets, hotel reservations, itineraries, cruises and tours planned and booked to any part of the world by the American Express Travel Department.

When writing please mention Nation's Business

an American point of view. Recreation is put down as a necessity. So is the motor car. At present the first inclination of the average American is to say there are no roads, but the Russians are not worrying over this lack.

"Motor cars built the American highway system," they remark. "We shall have such a system when we get the cars."

In bad weather the country roads are rather difficult for automobiles, although they are well maintained for the type of traffic now using them. But between the cities there are some fairly good highways.

Passenger services are busy

ONE thing that impressed me is the great amount of travel going on, although of course, it does not compare with that in the United States. Since there are few highways and motor cars, and a limited railway system, the movement concentrates on the rivers. One boat line out of Nijni Novgorod makes four sailings a day down the Volga, and as a rule all the space is taken. Trains are similarly well filled.

It has been customary to say that we could never do business with a people holding to the political and economic theories of the Soviet. Recently many economists have been finding or professing to find evidences that the Russians have been modifying their theories. My own dealings have been with practical men, and I have found them in Russia fully as keen and stimulating as in the United States.

It is possible that there are barriers between the Russian and the American systems of which I know nothing, to make trade between the countries increasingly difficult as its volume increases. Some men have even expressed the fear that our political thought may be affected by too much traffic with Russia. I am not a political economist, but it strikes me that the rule will work both ways. So far I think the record will show that we have influenced Russia far more than she has influenced us.

The most encouraging sign of this is to be found in what might be called the smoking-car attitude. In common with many other Americans I had expected a certain amount of suspicion and distrust, a great deal of criticism of American capitalism, and possibly contempt. But the Russians who seem to be running things are easy in their minds. A great many refuse to be drawn into argument by the perfect defense that, politically, they do not know what it is all about—and so long as there is

interesting work to be done they do not care. Unless I am badly mistaken, that is a good American working specification for the ideal customer.

From the outset their attitude toward me was one to breed confidence and fair dealing.

After some criticism of America heard in other European countries, their ability to withhold judgment and to avoid false conclusions was refreshing. While I was in Moscow a lurid motion picture depicting gang warfare in Chicago was playing at the leading theater to crowded houses. Every Russian with whom I talked regarded the piece as an exaggeration. They were far more disturbed by reports of labor difficulties in southern textile communities. But even here the attitude was one of amazement rather than criticism. The Russian cannot reconcile our industrial sore spots with our known efficiencies.

A question all Americans ask is how a people can get along without private business, the implication being that there is no individual initiative. Judging by my observations, neither statement is wholly true. At one of the building operations, I came across some metal workers installing ventilating devices of a type new to me. Investigation brought out that two mechanics had developed the device, quit their jobs and started to manufacture it. They were earning \$900 a month. I did not have time to learn what steps, if any, are taken to prevent manufacturing and merchandising operations by private capital, but the rough and ready rule seems to be that if the product or the service may be classified as a necessity one may do about as he pleases.

Private enterprise is limited

PRIVATE merchants have little chance in the distribution of staples, because they cannot compete with prices in the government stores. Development of individual enterprises seems therefore to be limited at present to distribution of higher-priced articles and of luxuries. Undoubtedly there are some rich people in Russia, but they are few in proportion to the total population of some 160 millions. But, the Russians say, the way to get luxuries is to get necessities first.

What they require in this respect is almost beyond computation. The 30 billions they are planning to spend in five years will give them only the beginnings of a national plant comparable to that of the United States.

I should not attempt, after my short stay in the country, to define the Soviet system of property, but the attitude of



FOR HANDLING BULKY- HEAVY- LOOSE- OR PACKAGE MATERIALS



When costs of handling heavy or bulky material are running too high, or when material handling operations are too slow to keep up with production, it is time to investigate. **Q** Lorain cranes are the answer. They are fast. The Center Drive applies the power through fewer shafts and gears than the ordinary crane. Result: more direct power, less lost motion, less wear and tear, a machine that is fast in operation, slow to depreciate. **Q** Why isn't it a good idea to ask your secretary to send for complete information right now?

THE THEW SHOVEL COMPANY
Lorain, Ohio

7 TO 15 TON CRAWLER CRANES
15 TO 20 TON LOCOMOTIVE CRANES
BUILT TO THE CENTER DRIVE DESIGN

Ask your secretary to mail this to
The Thew Shovel Co., Lorain, Ohio

Send us the facts and figures on
Lorain Cranes.

Name

Firm

Address

City State



Are you helping them give you a full day's work?

CLERKS, typists, bookkeepers, all office workers, are productive people. The amount of work they turn out depends on mental concentration.

The convenience of Art Metal desks is no small help in smoothing out routine work . . . compartments for filing records used daily . . . special compressor trays for cards . . . room for frequently needed data right at the worker's elbow.

Drawers glide in and out on ball-bearing suspensions—the smaller drawers slide in frictionless steel channels. Drawer bodies are electrically welded . . . can never become loose or rickety. And drawers are interchangeable for adaptability to the work, and are even

interchangeable between desks—which saves moving the whole desk around the office.

Besides desks, Art Metal makes every kind of modern office equipment . . . all of warp-proof steel, all in beautiful green or wood grain finishes.

We shall be glad to furnish information on equipment for any type of business. Or if you need additional equipment now, just check your wants below and we will mail catalogue.

Art Metal Construction Co., Jamestown, N. Y.

- | | |
|-------------------------------------|---|
| <input type="checkbox"/> Desks | <input type="checkbox"/> Upright Unit Files |
| <input type="checkbox"/> Plan Files | <input type="checkbox"/> Counter Height Files |
| <input type="checkbox"/> Fire Safes | <input type="checkbox"/> Horizontal Sectional Files |
| <input type="checkbox"/> Shelving | <input type="checkbox"/> Postindex Visible Files |



Art Metal "1500" line desks afford maximum value in utility and good looks—at a minimum price. Style 1500FB is illustrated. There are 15 other styles.

A few of the hundreds of Art Metal desk users

Mutual Life Insurance Co.	Baltimore, Md.
Timken Roller Bearing Co.	Canton, Ohio
U. S. Navy	Washington, D. C.
United Gas Improvement Co.	Philadelphia, Pa.
Detroit News	Detroit, Mich.
S. C. State Capitol	Columbia, S. C.

Art Metal

STEEL OFFICE EQUIPMENT

builders seems to be that it differs from capitalistic countries chiefly in details of title. Men with capital may obtain a 60-year lease on a piece of ground to build an apartment, and in theory at least they may earn enough on the rentals to pay a fair return on the investment and eventually to liquidate.

The system of rentals is complicated. Prices depend largely on earnings of the tenant. A \$250 a month workman pays more for the same apartment than a \$125 clerk. This sliding scale applies in other fields, notably for opera tickets. It is in line with the theory of equal distribution of goods and services, and to western minds it seems to stamp out the fruits of competition and therefore to make that age-old incentive inoperative. But no matter what may have been their attitude toward competition the Russians do not now regard it as something to be obliterated.

Group competition encouraged

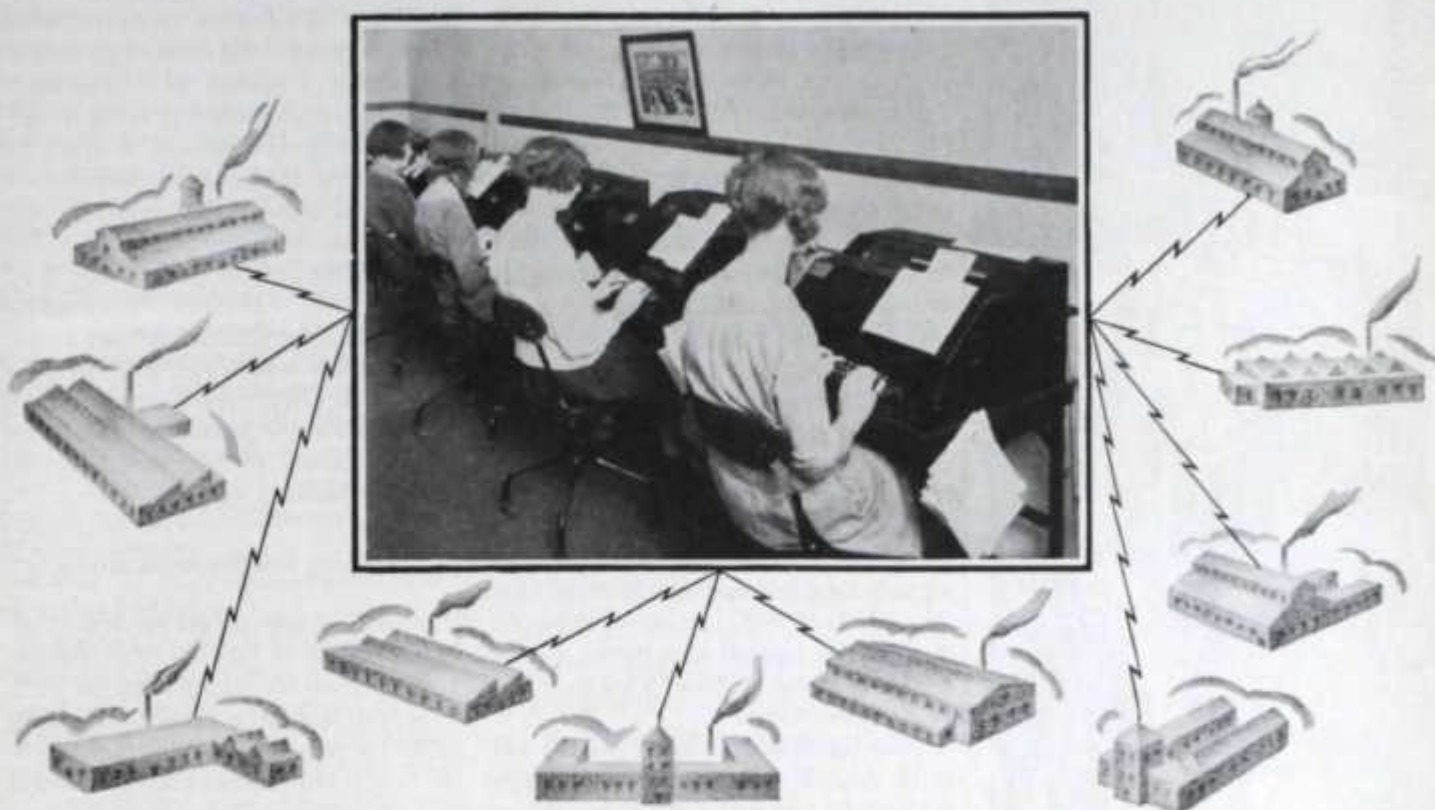
THEY are trying to set up inter-departmental or group competitions, and they see no conflict in substance between this program and the development of individual initiative. They have observed, too, that while we make much of the individual in American political and economic theory, every forward step in our progress is traceable to group action. More than that, they note that many American business leaders have a tendency to abandon or at least to discount material fruits of leadership and to take their return from the inspiration of work and continued leadership.

There is no question that thinking men in Russia have been influenced by American thought as well as by our material prosperity. American visitors are brought up at every turn by unexpected Americanisms. On my trip down the Volga after I had selected the site at Nijni Novgorod as most desirable for Russian national purposes, I was sought out at every stop by delegations to ask why I had not selected their site. Community competition is intense.

The mention of reporters brings to mind the fact that one is present at every important industrial or commercial conference. The aim is to keep all negotiations out in the open. Business and newspaper men alike in this country may be interested to learn, however, that the mere act of obliterating secrecy kills news value. Very little was actually printed of our negotiations until the contract had been signed. The reporter who had to listen to all the business details seemed pretty thoroughly bored most of the time.

GIVES WINGS TO MESSAGES

Teletype enables the American Can Company to operate 10 plants from a central office by sending typewritten messages by wire



REPRESENTATIVE USERS

American Can Co., Chicago
 Ford Motor Co., Detroit
 New York Central, Pennsylvania, Southern Pacific and other railroads
 Detroit Edison Co., Detroit
 Radio Corporation of America, New York
 Roosevelt Hotel, New York
 Bank of Italy, Los Angeles
 American Radiator Co., Chicago
 General Electric Company, New York and Chicago
 Brooklyn Union Gas Co., Brooklyn
 Standard Oil Co., Chicago
 Crane Company, Chicago
 Armour & Co., Chicago

One of the chief problems of operating a number of distant plants or branches from a central office has been the time lost in exchanging written messages.

Orders, specifications and other intricate data must be transmitted in written form, otherwise errors are likely to occur. Thus, until now, the delays caused by the slowness of messengers and the mails have seemed necessary to insure accuracy.

Now, however, there is a means of communication that combines the speed of the telephone with the accuracy and authenticity of the printed word. Called Teletype, it gives wings to messages by flashing them over wires in *typewritten form* at the rate of 60 words per minute!

The American Can Company, with offices in Chicago, uses Teletype to communicate with 10 plants, one of which is nearly 300 miles away! Great

savings in time and money, as well as improved service to customers, have followed its adoption.

Teletype . . . the Telephone Typewriter . . . is the only device that sends typewriting by wire. Depressing a key on the sending machine causes both the sending and receiving machines to print that letter or figure . . . instantly! Errors in transmission are virtually impossible, as the sender has only to look at what she is typing in order to see what is being printed at the other end.

Teletype provides a typewritten record for filing at both ends, thus definitely fixing responsibility. Machines can be used in either direction if desired.

Teletype service is not expensive and will pay for itself repeatedly by reducing errors, eliminating messengers and speeding up business. Mail the handy coupon below for further details.

TELETYPE

THE TELEPHONE TYPEWRITER

MAIL FOR FURTHER FACTS

For full information concerning the Telephone Typewriter and its cost, sign this coupon, pin it to your letterhead and mail to the TELETYPE CORPORATION, 1400 Wrightwood Ave., Chicago.

Name

Position N. B. 5-30



Is there a Jekyll-Hyde coming to work for you?

There's a dual personality in most of us—a good and a *better self*—or a good and *weaker self*. All "trusted" employees are not trustworthy. Those who are, welcome a Fidelity Bond as a sign that all's well. Why wait then to bond your employees, until under stress, somebody makes off with the cash-box?

Aetna writes practically every form of Insurance and Fidelity and Surety Bonds. Aetna protection reaches from coast to coast through 20,000 agents. The Aetna agent in your community is a man worth knowing. Look him up!



The Aetna Casualty and Surety Company
affiliated with The Aetna Life Insurance
Company • The Automobile Insurance
Company • The Standard Fire Insurance
Company of Hartford, Connecticut

AETNA-IZE

When writing please mention Nation's Business

The Tangled Web of Farm Finance

(Continued from page 17)

pays the dividends to the association which passes them on to its members after deducting the operating expenses. If and when those dividends arrive the stockholder is aware that he owns stock.

Return now to Jones. He has bought the 20 shares of stock. The association has approved his loan and passed it on to the federal land bank. The bank now sends an appraiser to examine Bill's farm and look Bill over. If his report is satisfactory the bank makes the loan.

See what has happened. Bill asked for \$2,000. He received \$2,000, but since he paid \$100 for stock to qualify as a borrower his net loan is only \$1,900. If everything goes well with Bill and his fellow members he receives the \$100 which he invested in stock as soon as he repays his loan. If the association has a rough time Bill may lose his \$100 plus an additional \$100. In other words he must pledge himself as a surety for his neighbors to the extent of \$200 for every \$1,900 he borrows.

This legislation is based on the old truth that in union there is strength. Instead of facing the credit market as individuals with all the disabilities which attach to them as borrowers, the farmers are able to oppose their collective security against the risks of lending. Furthermore each of the 12 banks is liable for the other 11 so that they in turn cannot fall except together.

Joint stock land banks set up

BUT, in addition to providing for collective borrowing, the Federal Farm Loan Act permitted the establishment of joint stock land banks. These are organized by private capital, of which each bank must have at least \$250,000. They lend directly to the farmer on the security of first mortgages. There is no joint responsibility either among the borrowing farmers or the lending banks. The bonds are tax-exempt, and the ratio of outstanding bonds to capital cannot exceed 15. In other words for every dollar of capital which the stockholders contribute the bank can sell \$15 of bonds. In the case of the Federal Land Banks the ratio is one to 20.

The system of private joint stock banks was fundamentally different from that of the 12 Federal Land Banks with their underlying structure of national farm loan associations. The systems

were, moreover, in direct competition. This is rather puzzling. If the Government after profound deliberation sets up machinery to solve the farmers' credit problems, why, at the same time, should it establish a system of independent banks to do precisely the same thing? Why, furthermore, should it grant to these private banks the unprecedented privilege of tapping the capital market through tax-exempt securities "the instrumentalities of the government"?

The answer is complex. An examination of the congressional debates at the time the bill was under consideration reveals that Congress was actuated by a solicitude for the farmer as well as by a consideration for the interests of the mortgage bankers.

Helping cooperation along

CONGRESS understood the refractory individualism of the American farmer. The collective-borrowing idea, the germ of the National Farm Loan Associations, called for cooperation. Was the American farmer temperamentally qualified to play on a team? The legislators were skeptical. So they provided an alternative system to be operated by private capital which would make loans to the farmer in the manner to which he was accustomed.

Off the legislative stage and in his capacity as a politician the representative admitted other motives. If, after all the ceremonial, the ponderous reports and prolonged debates, the mountain brought forth an impotent mouse, the lawgiver, individually and collectively, would appear ludicrous. He would have to answer to his constituents for his failure, no matter how blameless he might be. The desire, therefore, to preserve his dignity and the favor of the folks at home led him to create a system of joint stock banks to do precisely what the Federal Land Banks were intended to do, so that the failure of the latter would not prove fatal to the legislative intent.

Beyond that, there was another reason for creating private banks and particularly for granting them the privilege of raising capital by selling tax-free bonds.

When the Federal Farm Loan Act was passed, there were many private mortgage companies in the field. They had served the farmer for many years and represented substantial investments

of private capital. If the Government now entered the field of mortgage banking and stacked the cards to give the farmer credit on more attractive terms than a natural capital market would permit, these mortgage banks would find their usefulness limited. To protect them, they were granted the privilege of selling tax-exempt bonds which placed them in a position to compete effectively with the agencies of the state.

While all this helped the farmer to obtain cheap and abundant credit, a gap still remained. The Federal Reserve Act provided credit for periods up to nine months. The Federal Farm Loan Act took care of periods from five to 40 years. In between there was a credit period, vital for the farmer, for which no provision had been made. This was corrected in 1923 with the establishment of 12 Intermediate Credit Banks corresponding to the 12 Federal Land Banks, occupying the same buildings, covering the same districts and having the same executive officers. Their entire capital of 60 million dollars was subscribed by Uncle Sam.

Fifteen years ago the farmer had to pay discriminatory tribute to gain admission to the nation's credit marts. Thanks to the intercession of the state, he can now crash the gates of Mammon as a favored customer. This elaborate structure of banks, raised specifically to minister to the farmer's credit needs, has in fact loaned him in the neighborhood of two billion dollars.

Giving the investor a bargain

TO RAISE this sum, bonds have been sold in every state, in Canada, Mexico, the Scandinavian countries and Hoboken. As a special bargain for the investor, Uncle Sam exempts these bonds from taxation.

In the phraseology of the law we find that these bonds "shall be deemed and held to be instrumentalities of the Government of the United States," that "they and the income derived therefrom shall be exempt from Federal, State, municipal and local taxation." Each Farm Loan Board bond must state that "it is issued under the authority of the Federal Farm Loan Act, has the approval in form and issue of the Federal Farm Loan Board, and is legal and regular in all respects—that it is issued against collateral security of the United States Government bonds, or indorsed first mortgages on farm lands, at least equal in amount to the bonds issued."

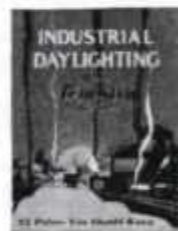
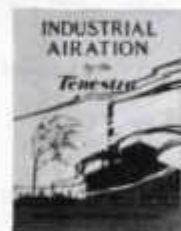
Furthermore the investor was advised that the banks were examined twice a year by federal examiners and that the



Push Fresh Air IN Pull Stale Air OUT

By the number and location of windows on your factory building plans—before construction is started—you can determine, with reasonable accuracy, how many times per hour *polluted air will be drawn out of your factory and fresh air brought in*. It is no longer necessary to guess on the airation results you will get in your new plant buildings.

Fenestra Research Engineers, in cooperation with the Department of Engineering Research at the University of Michigan, have made discoveries of the principles which govern both airation and daylighting in factory buildings. They have presented their research data in two books here illustrated. These books also indicate how to apply these principles to your problems. The coupon below will bring both books—sent FREE to engineers, architects and designers of industrial buildings.



For over 20 years, Detroit Steel Products Company—oldest and largest maker of steel windows in America—has helped the nation's industries secure greater output through more light, better ventilation and improved working conditions.

If you are designing a new industrial building, you are invited to avail yourself of Fenestra's Research Service.

Fenestra

Industrial Steel Windows

Holorib Insulated Steel Roof Decks

Detroit Steel Products Company,
2292 East Grand Boulevard, Detroit, Mich.

Without obligation, please send me your Daylighting and Airation booklets.

Name

Address

When writing to DETROIT STEEL PRODUCTS COMPANY please mention Nation's Business

Any
way you
write it

Pencil

pen

OR

Type-

writer,

Ditto
copies
it

One copy or a
hundred—quick,
neat, errorless.



Ditto
makes copies
direct from your
original writing,
typing, or drawing—no
stencil, type, or carbon.

The whole story in a booklet, "Cutting Costs with Copies"—write for it.

Ditto Incorporated
2276 W. Harrison St., Chicago



Use paper or card
—Ditto copies any
form or kind of
writing; in colors;
all or any part of
the original.

When writing please mention Nation's Business

loans were scrutinized by federal appraisers and finally by Washington itself. Sad to relate, these bonds have not in every instance justified the high confidence with which they were first bought.

The bonds of the Federal Land Banks and the debentures of the Federal Intermediate Credit Banks are in good shape. Where they are selling at a discount it is due probably to changes in the market rate of interest since they were first sold. But the obligations of many of the joint stock land banks are a reproach to that Government under whose apparently iron-clad assurances they were first marketed. Consider the quotations on some of these issues:

Bank of Issue	Rate	Maturity	Bid	Ask
Atlanta	5s	1933-1952	69	72
Bankers	5s	1933-1953	21	25
Central Illinois	5s	1933-1953	73	76
Chicago	5s	1932-1952	66	68
Dns Moines	5s	1932-1952	60	64
First Carolina	5s	1932-1952	62	66
Kansas City	5s	1933-1953	47 1/2	50
Ohio	5s	1933-1953	30	40
Oregon-Washington	5s	1933-1953	57	61
Southern Minnesota	5s	1932-1952	49	52

These land bank bonds bear many of the outward appearances of government securities. They represent approximately

170 million dollars of obligations which, if one is to believe the plain language of the law, are *ne plus ultra*. The securities of the Kansas City Joint Stock Bank, now in the hands of a receiver, are held by approximately 9,000 investors in the United States and several foreign countries.

Uncle Sam certainly did not intend to involve his good faith in doubt or cause loss and suffering to innocent investors. How did Uncle's feet, on beneficence bent, happen to slip? What mischievous urchins placed the banana skin precisely where the kindly old gentleman was about to step?

Here is a story with elements of tragedy, high finance, broken faith and thwarted intent, politics and avarice. Above it all, the toil of devoted public servants, laboring without ostentation, striving with selfless and unpretentious energy to rescue a system of banks from chaos.

(This is the first of four articles on farm credit by Joseph Stagg Lawrence. The second, describing some of the difficulties Uncle Sam encountered in farm finance, will appear next month.)

Only Lazy People Are Contented

(Continued from page 23)

tively advertised and luring the consumer into frequent and costly changes, is really a complaint against the swiftness of the times, the terrific pace of the moment and, at last, against the feverish ambition and acquisitiveness of each and every one of us.

When Mr. Saunders stigmatizes the system of sowing discontent to make more sales, to make more volume, to employ more labor, to pay more money for wages, to provide more money for buying, he is well within his rights in describing it as "perpetual motion" all over again.

Unfortunately, however, the creature known as man was born that way, lives that way, and dies that way, always has and always will.

His discontent drove him to do other antic things in other antic days according to the precise standard existing at the time.

Now, the standard is the possession of things, and he is simply swayed by the latest in a long line of vogues which have prevailed since his race began.

Here and there an individual escapes, mostly by way of the spirit, from the

ruling and predominant passion of the moment. But people in masses cannot escape, or at any rate they do not.

They may, in many cases, be unduly, unnecessarily, enslaved by what they consider the demands of that moment.

But the mass, and in some measure all, of them are compelled by the circumstances which surround them.

There is a very real sense in which they must be a part of the merry-go-round which Mr. Saunders describes or be crushed in trying to escape the process.

It goes almost without saying that Mr. Saunders is a more serious thinker and much less amused than he pretends to be.

He is not merely regretting phonographs, and radios, and automobiles, and iceless refrigeration, and silk stockings.

He is regretting a social system, an epoch, an era, a philosophical period, and there is a very large sense in which he is justified in regretting.

But advertising is only the aider and abetter of all of these regrettable things.

If discontent be "divine" then contentment is a dangerous state. Content-

CANNON TOWELS



Mr. Park is one of an experienced staff of illuminating engineers maintained by the National Lamp Works to help you obtain the maximum from your lighting.

THE beautiful colorings and luxurious quality of the new line of Cannon towels, bath mats and wash cloths needed the best light in the textile industry to keep up with the demand of smart women and modern bathrooms.

Cannon Mills Co. operate night and day. To insure correct colors at night and quality of manufacture day and night, this dominant company

INCREASING VOLUME AND SMARTER STYLE DEMANDED BETTER LIGHTING

in their line relighted 298,090 square feet of space last year.

Working with G. E. Park, lighting specialist of the Southern Division of the National Lamp Works of General Electric, Atlanta, Ga., this company installed reflecting equipment and correct lamps (daylight lamps for color quality) which raised the illuminating standards of Cannon Mills Co. to two watts per square foot, as compared with an average of one-half a watt in many cotton mills.

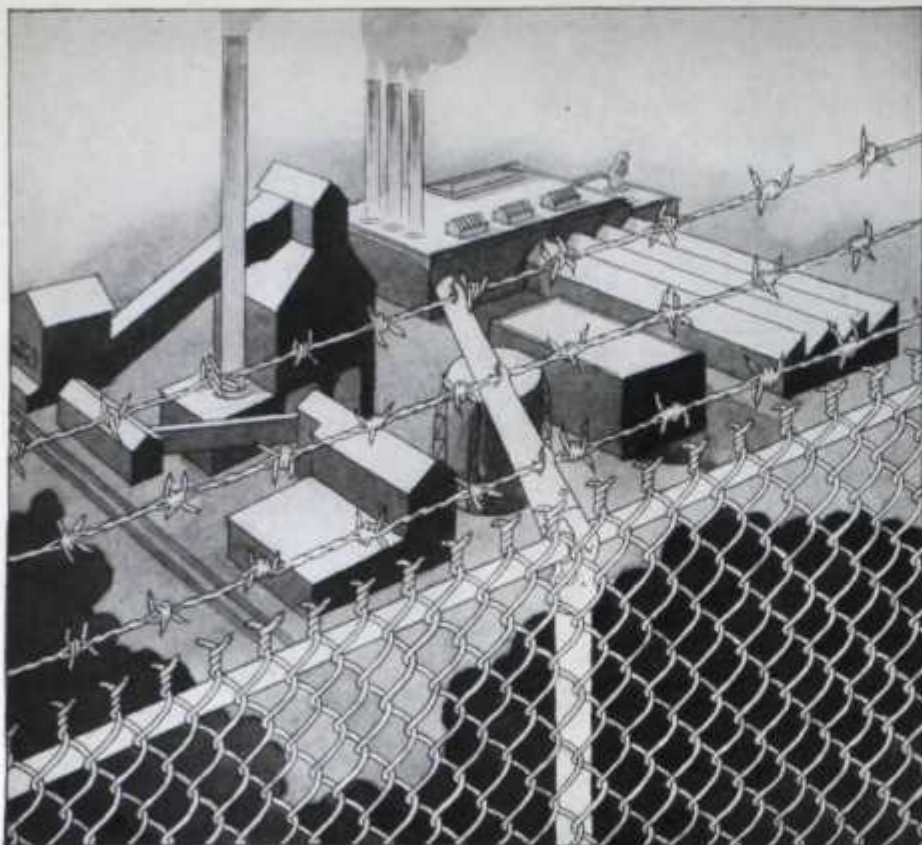
This illumination is helping to produce more Cannon products than the combined quantities of all other kinds—more efficiently and with less expensive mistakes due to color difficulties.

Perhaps your concern has problems better lighting may help to solve. There is a G. E. lighting engineer near you who will be glad to give you the benefit of his experience without cost or obligation. Simply write to The National Lamp Works of The General Electric Company, Nela Park, Cleveland, Ohio.

Join us in the General Electric Hour, broadcast every Saturday evening on a Nation-wide N. B. C. Network.

GENERAL ELECTRIC
MAZDA  LAMPS

When writing to THE NATIONAL LAMP WORKS please mention Nation's Business



Uniform wire puts FENCE within the reach of ALL industry . . .

A NEW respect for property rights has come into being . . . ravages from arson, vandalism and destructive forces from without are thwarted and protected boundaries are the order of the day . . . Wickwire Spencer Chain Link Fence is within the financial reach of every industry.

Save with Steel

WICKWIRE SPENCER MAKE UNIFORM

Wire of all kinds
Wire Rope
Wire Reinforcing Fabric
Clinton Wire Lath
Wire Screen Cloth
Wire Poultry Netting
Chain Link Wire Fence
Wire Springs & Spirals
Wire Kitchen Utensils
Wire Bathroom Fixtures
Wire Grilles & Cages
Wire Diamond Mesh
Perforated Metal Grilles
Perforated Metal Screens
Perforated Centrifugal Linings
Wissco Card Clothing
Wissco All Steel
Radiator Furniture

The manufacture of Copper-Bearing Steel wire, so uniform as to permit its being woven on high speed looms, has brought this about. Galvanizing after weaving has made this fence rust proof and permanent.

The lifelong endeavor of this Company has been to produce the most uniform wire possible and the finest wire products. Years of costly research, strict adherence to scientific methods and the most modern type of plant and equipment have made this ambition a reality.

WICKWIRE SPENCER STEEL CO.

41 East 42nd Street

New York City

Worcester
Buffalo
Cleveland

Chicago
Atlanta
San Francisco

Los Angeles
Seattle
Portland

WICKWIRE SPENCER

WIRE PRODUCTS

When writing to WICKWIRE SPENCER STEEL CO., please mention *Nation's Business*

ment is static and without ambition. Contentment never creates revolutions, political or social. The most contented individual is an untutored savage with a full stomach. Contented people would still be using tallow dips instead of electric lights. To cry out against the proddings of progress is to admit the possession of a lazy mind and the total lack of any appreciation for the comforts and refinements of civilization and the short cuts in business and social intercourse.

Of course, some "improvements" are spurious and many prophets are false, but only the extremely ignorant, the pitifully weak, or the hopelessly moronic are constantly falling for the songs of sirens or the bellows of the ballyhoo.

The fruits of discontent

SALES and advertising men are glad to take credit for a large share of the prevailing "discontent," and glory in it. It is this very discontent, created largely by them, that is responsible for mass production and mass selling, which in turn have brought about not alone a prosperity such as no people have ever known before, but have spread wealth more widely than ever before, so that there is no longer the sharp and painful distinction between those that have and those that have not.

Our friend Saunders may be content with water drawn from a surface well and a Saturday night bath in the old wash boiler, but the average American workman, with his car, phonograph and radio, as well as his modern home equipped with good plumbing, would laugh at him.

When this era of advertising, intensive salesmanship and mass production began, there were probably not two million holders of industrial and corporate securities in all this vast country. Today, there are probably 20 million, all the result of "discontent."

Walnut and Radios

WALNUT, always highly prized for cabinet work, has had its market value greatly enhanced by the development of the radio industry, where, for use in cases and consoles, it is now much in demand.

Especially are stumps and crotches, hitherto rejected, sought after. They give to the radio case beautiful whorl effects and eccentric grain lines.—J. L. C.

A Modern Centrifugal

by Worthington



THE use of ball bearings in centrifugal pumps is a basic improvement around which Worthington has evolved other features of advanced design.

Shorter shaft span possible with ball bearings results in stiffer shaft.
Boring of bearing brackets and casing at one setting assures accurate alignment.
Close clearance of ball bearings produces smooth operation at all speeds.
These mechanical advantages, combined with improved hydraulic design, result in higher efficiency and lower maintenance cost... hence lower expenditure in the long run.

Bulletin W-310-B1A describes Worthington Ball Bearing Pumps in detail.

May we send you a copy?

WORTHINGTON PUMP AND MACHINERY CORPORATION

Works: Harrison, N. J. Cincinnati, Ohio Buffalo, N. Y. Boston, Mass.

Executive Office: 2 Park Avenue, New York, N. Y.

GENERAL OFFICES: HARRISON, N. J.

District Sales Offices:

ATLANTA CHICAGO DALLAS EL PASO LOS ANGELES PHILADELPHIA ST. PAUL SEATTLE
BOSTON CLEVELAND DENVER HUNTINGTON NEW ORLEANS PITTSBURGH SAN FRANCISCO ST. LOUIS
BUFFALO CINCINNATI DETROIT KANSAS CITY NEW YORK ST. LOUIS SAN FRANCISCO WASHINGTON

Branch Office or Representative in Principal Cities of all Foreign Countries

WORTHINGTON

PUMPS

COMPRESSORS
Stationary and Portable

CONDENSERS
and Auxiliaries

DIESEL ENGINES

GAS ENGINES

HEAT EXCHANGERS

WATER, OIL and
GASOLINE METERS

Authorized in U.S.A.

WORTHINGTON



T HOROUGHLY
ENJOYED TRIP...
SATISFIED WITH
EVERYTHING...*

THE American executive is a keen judge of values. So, when he comes across with a blanket endorsement like the above, it can be imagined that the trip in question must have been A-No. 1 in quality.

We do everything in our power to make these executive trips to Europe satisfactory. Quiet rooms are available for conference; trained stenographers are on hand to take dictation; the ship's radio service keeps business men in touch with market conditions, and with their associates at home.

L. M. M. Lines offer several sailings each week to principal British and north European ports, and Friday and Saturday sailings on the speedier ships will get executives to Europe in time to attend important meetings held in London and Paris the following week-end.

Sail on the *Majestic*, world's largest ship, or the popular *Olympic*. If time is less pressing, sail on the *Homeric*, *Belgenland*, *Minnewaska*, *Minnetonka*; the superb new *Britannic*, world's largest cabin ship, or any one of a number of other *White Star*, *Red Star* or *Atlantic Transport* liners.



*Quoted from an executive's letter to us.



30 Principal Offices in the United States and Canada. Main Office, No. 1 Broadway, New York City. Authorized agents everywhere.

WHITE STAR LINE
RED STAR LINE
ATLANTIC TRANSPORT LINE
International Mercantile Marine Company

When writing please mention Nation's Business

Uncle Sam's Books of the Month



MRS. SLOCUM, active and progressive member of the Poplar Glen Ladies Club, has discovered that the Government can furnish her with pamphlets on a vast variety of subjects, ranging from cat traps to Junior's suits. That these illuminating publications may be better appreciated—if such is possible—she reviews a few here each month

DEAR MR. EDITOR:

I wonder if your readers have forgotten what Doctor Jacks wrote in your February number about adult education. He told how business ought to be more than just making and selling, and very likely could be something in which we might keep up our college education, if any.

Around my husband's factory, and in Poplar Glen generally, except in the professions, there is not an oversupply of college education. But what I argue is that with all the facilities the Government provides through its Printing Office, we of Poplar Glen can be just as smart as the college folks if we put our minds to it.

I tell my husband, Mr. Slocum, if he and his factory foremen would only bone up on some of these books we get from our Congressman, they could hold their own with the smartest men at these big conventions they go to. He says that is not the way to get on with the fellows at the conventions, but what I think is that Mr. Slocum likes his newspaper and his sleep more than I sometimes feel is entirely best for our place in society.

Learning from our Uncle Sam

NOW we of the Poplar Glen Ladies Club make the most of our knowledge, not only at our meetings, but when we go to our State and National Conventions. Sometimes we make a little learning go a long way. We could use more if we had it. That is why we are so interested in keeping up with Uncle Sam's latest books as he turns them off the presses, and which I am introducing to your readers as often as you will allow.

One of the most instructive pamphlets

that have come from the government press in recent months is "Life History and Habits of Grasshopper Mice, Genus *Onychomys*," by Vernon Bailey, Senior Biologist, Division of Biological Investigations, Department of Agriculture (price, 10 cents).

The useful grasshopper mouse

I KNOW, Mr. Editor, how your readers always laugh at us women for looking to see how a novel ends before we begin it. Well, funny or not, the same habit holds with me in studying these government books. I looked straight away at the end of this book to see just how useful it was going to be to me in my housekeeping, and I had my reward. Just listen:

"In the kitchen this mouse proved very useful in capturing and eating all the cockroaches that came out at night. At first they were numerous and large, but after a few weeks they became scarce, and only the very small or young individuals were occasionally seen. Little groups of legs could be found all around the edges of the floor for a few nights, but the smaller young were eaten legs and all, and apparently most of the cockroaches in the house were destroyed within a month. At the end of this time there were not enough to supply the mouse with food, and he had to depend largely on his rolled oats, sunflower seeds, and an occasional piece of chop or chicken bone. When a large cockroach was captured on the pantry shelf and thrown on the floor in the kitchen the mouse would pounce upon and eagerly devour it."

Now, when it comes to a choice between mice and cockroaches in our pantries, I think most of us, at least speaking from what I know of the ladies

TRAVELS TO THE PROVING GROUNDS OF CUTLER-HAMMER EXPERIENCE

Build a FACTORY in a Battleship?



These engineers
have done it!

IT WAS no easy task to bring the advantages of electric power to the men aboard ships... particularly those aboard battleships. No factory service, anywhere, ever demanded so much of Motors... or of Motor Control!

In no factory is space at such a premium as in a battleship. Huge engines, and their fuel, scores of motors and their control apparatus must be condensed within a ship... condensed, but never crowded. In no factory is Motor Control subject to conditions even comparable to the shocks of battle in the turret of a warship... or to the pitch and roll of a vessel on a stormy sea. In few factories must Motor Control combat such corrosive agents as powder fumes and salt spray. Certainly Motor Control which operates unfailingly under such conditions proves well the skill of its builders.

For over a quarter century Cutler-Hammer Engineers have excelled in the difficult field of Marine Motor Control.

And in so doing, they have learned economies of space and methods of securing dependability under any and all conditions... knowledge not to be gained elsewhere. In other industries, too, Cutler-Hammer Engineers have had experience unique in the lessons taught. Habitually the unusual and difficult problems of Motor Control are brought to Cutler-Hammer, so, at one time or another, Cutler-Hammer Engineers have met every Motor Control problem arising in every industry.

Such is the diversified experience behind Cutler-Hammer... the experience which explains the advanced engineering incorporated in Cutler-Hammer *standardized* Motor Control... the features which protect motors, men and equipment, which permit greater savings of steps, time, and space. In short, the features

which assure full utilization of electric power wherever motors serve. And it is because of these features that Cutler-Hammer *standardized* Motor Control is incorporated by alert machine builders in their motor-driven machines... recommended by far-sighted motor manufacturers for use with the motors they build... and carried by reliable wholesalers of electrical goods.

CUTLER-HAMMER, Inc.

Pioneer Manufacturers of Electric Control Apparatus
1251 St. Paul Avenue MILWAUKEE, WIS.

The Final Result of This Pioneering

Cutler-Hammer *standardized* Motor Control has features which only pioneer engineering could produce—features which only experience covering all problems of electric motor application could perfect. Thus, Cutler-Hammer "ready-to-use" equipment meets every common requirement with reserve to spare—provides for all usual motor applications the same superior performance, safety and economy for which Cutler-Hammer specially engineered Motor Control has been outstanding throughout three decades of Industry's electrification.



CUTLER HAMMER

The Control Equipment Good Electric Motors Deserve

(A-203)

THE DOORWAY OF AMERICA'S FREIGHT ELEVATOR TRAFFIC

DRUMS of liquids, heavy machinery, barrels, boxes, cartons and bottles...trucking wheels and human feet...indoor freightage of every type...from ponderous steel to delicate fabrics...pass daily through Peelle Doors.

For over a quarter of a century, Peelle Doors have leveled vertical shaftways to horizontal avenues for industry's traffic...its production parade from crude to finished product. Abreast of industry's

program for lowering handling costs and plant distribution, Peelle Doors offer automatic operation. Electrified...affording instant exit or entrance at the touch of a button...they save more time, lessen labor, lower maintenance and manufacturing costs. Consult our engineers, or write for catalog.

THE PEELE COMPANY, Brooklyn, N. Y.
Boston, Chicago, Cleveland, Philadelphia, Atlanta, and 30 other cities • In Canada: Toronto and Hamilton, Ontario.



PEELLE FREIGHT ELEVATOR DOORS

★ Buying For Contentment

It is not uncommon to buy something that momentarily attracts your attention, and to scold yourself afterwards for buying it. . . .

Advertising helps you to spend your money wisely—carefully—and saves you from after-regrets.

In the advertisements of this magazine you see the worth while, enduring products spread before you. . . .

Knowing them *before* you buy—you are able to judge intelligently your needs. Never are you rushed into buying; into having first—and scolding afterwards—

Advertising gives you honest information *before* you buy. You have a reliable guide and index to help you plan your purchases to obtain the highest values.

Read the advertisements! You will find that they make your money go farther . . . and that you will be satisfied with your purchases long after you have bought.

of Poplar Glen, would feel more protected with the cockroaches. Besides, these grasshopper mice, the writer says, are not nervous like the mice we have been used to having around the house. They don't run away, as we prefer they should. And they even bite if they don't get their way about things.

"As pets for children or as playthings they have not proved a success," the writer says. But I do not need to consider Johnny in making up my mind that I don't want this animal about me, however useful it may be on the farms.

To discover just how useful it might be to the farmers, we may examine what it ate as revealed by the writer who examined its food in a laboratory. He says, "The animal kingdom contributed eight-ninths (88.87 per cent) of the food of the *Onychomys*. About two-thirds of this or actually 55.8 per cent of the total, was composed of grasshoppers, crickets, caterpillars and moths, and 20.73 per cent of beetles. Insect food was about four-fifths of the total food (79.28 per cent).

"Cultivated grains comprised less than five per cent of the food and, as it consists mostly of wheat eaten in July, it was probably waste.

"According to this evidence the grasshopper mice should certainly be regarded as economically beneficial."

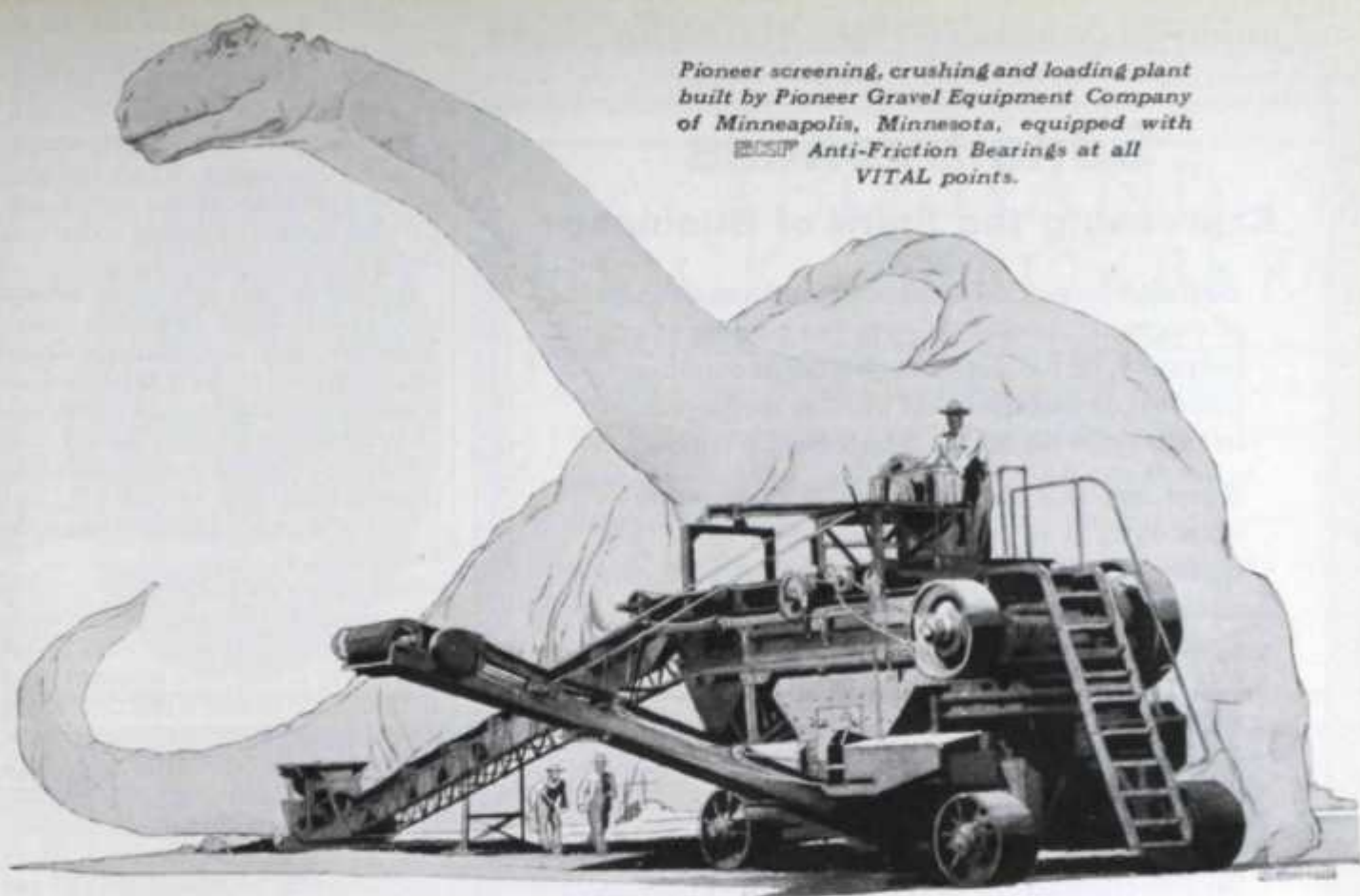
This reviewer, Mr. Editor, takes her stand that this may be so; but that the economic benefit should be confined entirely to the fields. She believes that brought into the pantry the mouse is a most expensive economy, likely to result in shattered nerves, broken bones, hospital bills and accessories, which would far outweigh the economy effected by the mouse in cleaning out the cockroaches, if any. She recommends the careful reading of this book by all American housewives to the end that no grasshopper mice be allowed in their pantries on false pretenses of economy.

Discovered in 1833

IT IS very interesting, however, as the writer points out, that "the first grasshopper mouse known to science and the world at large was collected, described and named by Maximilian, Prince of Wied, who took the type specimen in 1833 at the Mandan villages, near Fort Clark, N. Dak.

"Ten years later John James Audubon collected a specimen at Fort Union, near Buford, N. Dak., which proved to be slightly different."

It will be seen from this that these mice have really been in good society, though they now seem to be such little



Pioneer screening, crushing and loading plant built by Pioneer Gravel Equipment Company of Minneapolis, Minnesota, equipped with SKF Anti-Friction Bearings at all VITAL points.

On the Great Hulking Mechanical Monsters of Industry... ALWAYS

BRING on your real tough jobs...where tons of iron and steel meet other tons of rock and fight it out for the mastery...where speeding trains throw their swaying, hurtling masses against railway journals...where weight plus speed combine to conjure up FRICTION to waste and destroy. Bring them on. Here's a bearing that seems to like them.

Not alone because of the special steels made from ores from SKF's own mines...not alone because of constant development in SKF laboratories...not alone because SKF is the largest bearing organization in the world. But because SKF refuses to make a bearing that is one jot less than the best it can produce. Bearings can be built down to a price...but SKF will never build them. SKF is the highest priced bearing in the world.

SKF INDUSTRIES, INCORPORATED

40 East 34th Street, New York, N. Y.

SKF

THE HIGHEST PRICED BEARING IN THE WORLD

When writing to SKF INDUSTRIES, INCORPORATED please mention Nation's Business

Sensitiveness

Expressing the *Spirit* of Business

Sensitiveness in Business is the most delicate of magnetic needles. It *gets* the coming of opportunity, or the slightest change in conditions, personal or material; and inspires management to respond with action—*before* the cause.

Some call this Sensitiveness brains, vision—even luck. It is none of these. Not mind, not matter, but rather the *Spirit* of Business—the element required for supreme accomplishment. Check up the outstanding successes, and you will find this human magnetic needle, Sensitiveness, at the controls. It gives Business its *Spirit*, its keenness; makes work fascinating and satisfying.

Modern Accountancy recognizes and applies Sensitiveness as one of the most vital of human attributes in business. It does not manufacture it. But it does *inspire* it.

ERNST & ERNST

ACCOUNTANTS AND AUDITORS
SYSTEM SERVICE

AKRON	DALLAS	INDIANAPOLIS	NEW YORK	SAN FRANCISCO
ATLANTA	DAYTON	JACKSON, MISS.	OMAHA	SEATTLE
BALTIMORE	DAYTON	KALAMAZOO	PHILADELPHIA	TAMPA
BIRMINGHAM	DENVER	KANSAS CITY	PITTSBURGH	TOLEDO
BOSTON	DETROIT	LOS ANGELES	PORTLAND, ME.	TULSA
BUFFALO	ERIE	LOUISVILLE	PROVIDENCE	WACO
CANTON	FORT WAYNE	MEMPHIS	READING	WASHINGTON
CHICAGO	FORT WORTH	MIAMI	RICHMOND	WHEELING
CINCINNATI	GRAND RAPIDS	MILWAUKEE	ROCHESTER	WILMINGTON, DEL.
CLEVELAND	HOUSTON	MINNEAPOLIS	ST. LOUIS	WINSTON-SALEM
COLUMBUS	HUNTINGTON	NEW ORLEANS	ST. PAUL	YOUNGSTOWN
	W. VA.		SAN ANTONIO	

PLANT FOR SALE

Located in industrial town in Northwestern Ohio. 14 acres of land with improvements, fence, railroad siding, good roads, sanitary system, water, gas, electric, etc. Main building of modern daylight construction contains over 30,000 sq. ft. of floor space. Also power plant and out-buildings. Selling price is one quarter of reproduction value. Address owner. P. O. Box 244, Elizabeth, N. J.

savages. Great men seem sometimes to have these curious associates.

In former letters, Mr. Editor, I have tried to give your readers some idea of the wonderful work the Government is doing for dressmaking. We are told how and why we make our own clothes, and it is all pictured nicely in books and charts.

A different approach to the subject of clothes is found in a work called "Bibliography on the Relation of Clothing to Health," by Ruth O'Brien, Textile Chemist in Charge; Esther Peterson, formerly Assistant Textile Chemist, and Ruby K. Worner, Assistant Textile Chemist, Division of Textiles and Clothing, Bureau of Home Economics, Department of Agriculture (price, 25 cents).

A glance at the inside of this book will readily suggest to the most casual reader why it took three people to write it. In fact, the wonder is that three could do it. Here these three industrious ladies have read 1,184 books, written down the titles and descriptions, and then added, in a few clear, plain sentences, what each was all about. There you have your books read for you and are saved the trouble of doing it yourself.

The dangers in undershirts

AND now, having given your readers an insight into the first of the book, I return once more to my favorite pastime of examining the last paragraph in the book. This is headed: "Bacterial Content of Undershirts." The explanation follows:

"Experimental work was carried out to determine the kinds and quantities of microorganisms taken up by undergarments worn under known conditions. A study was also made of the number of microorganisms surviving washing and drying by different methods and for different numbers of washings. The undershirts studied were those worn by 40 young men in the athletic department of Kansas State Agricultural College."

But I dare say the undershirts of the young men from any other of the 47 states would have been just as full of these microorganisms, maybe fuller. The study would have been much more representative if they had taken an undershirt from each of the 48 states, and maybe one from each of the territories as well.

I never like to place myself in the position of making suggestions to these government experts but it seems to me that this study was made in a far too narrow way.—MARTHA MARY SLOCUM



A THOUSAND SHOCK ABSORBERS

UNDER each Mohawk-equipped car more than a thousand shock-absorbers—those powerful shouldered, tapered supports—252 to each wheel—work together in perfect coordination to share the load and smooth the road, to grip the pavement and save the tread.

As distinguished in internal design and construction as in outward appearance, Mohawk Flat Tread Special Balloons improve the performance and enhance the beauty of every motor car.

Featured by Quality Tire Dealers Everywhere

THE
MOHAWK
FLAT TREAD
SPECIAL
BALLOON

MOHAWKS

GO Farther!

THE MOHAWK RUBBER COMPANY... AKRON, OHIO

For Seventeen Years Makers of Fine Tires

When buying MOHAWK TIRES please mention *Nation's Business* to the dealer

THE LINCOLN BUILDING
42nd Street and Madison Avenue
New York

J. E. R. Carpenter, Architect
E. J. Willingale,
Kenneth B. Norton,
Wm. Hatmon Boers,
Associate Architects

Lincoln Building

... Built in 275 days



Huge office building at 60 East 42nd Street, New York, has 53 stories, 1,000,000 square feet of space and can house 12,000 people.

THE LINCOLN BUILDING — latest addition to the great Grand Central Zone—and one of the largest buildings in uptown New York, was built by this company in 275 working days.

The historic site was occupied for years by the old Lincoln Warehouse which was demolished in 1928.

Steel erection was begun on February 2, 1929, and 17,000 tons put in place by June 10—only 87 working days!

Construction was completed in January, the first tenants moved in February 1st and the formal opening was held March 1st.

The Lincoln Building represents the latest in large building design, construction and equipment and stands as a monument to the artisans who cooperated in its construction.

Interesting facts about the Lincoln Building

53 stories
678 feet high
14,200,000 cu. ft. capacity
1,000,000 sq. ft. of space
17,000 tons of structural steel
115,000 bbls. of cement
5,000,000 brick
100,000 sq. ft. of glazing
1,456,000 ft. of wiring
635,000 ft. of conduit
17,750 electrical outlets
8,000 feet of plumbing stacks
3,900 metal windows
3,500 radiators
30 elevators serve 568 openings
1,450 terminal boxes for telephones—sufficient to serve a city of 15,000

UNITED ENGINEERS & CONSTRUCTORS INCORPORATED

DWIGHT P. ROBINSON, PRESIDENT

PHILADELPHIA
LOS ANGELES

NEW YORK
MONTREAL

NEWARK
BUENOS AIRES

CHICAGO
RIO DE JANEIRO

MAXIMUM RETURN TO CLIENTS PER DOLLAR INVESTED

When writing to UNITED ENGINEERS & CONSTRUCTORS, INCORPORATED please mention Nation's Business

Now it's Pandora's Box Car

By MARVIN M. BLACK

- **WHEN** the container car was added to the transportation scheme, it was expected to solve most of the problems connected with the handling of less-than-carload freight. It still may do so but, in the meantime, it has loosed a staggering number of problems upon the railroad world

WHEN the container car took its place in the transportation drama it was cast in the rôle of savior. It was expected to solve the problem of less-than-carload package freight which has bothered the railroads since the earliest wood-burning days. It may yet do so.

But right now the container car presents a pitiful case. Nobody knows certainly whether it is a fair-faced hero or a villain with curling black moustaches. Its possibilities are infinite and its complexities but slightly less.

To understand the situation it is necessary to know something about the container car. The car itself when unloaded resembles the ordinary coal car in appearance. When loaded it somewhat resembles a box car. It is, in fact, a series of small box cars, or containers.

A container is a steel box, nine feet long, seven feet wide, and eight feet high, with a capacity of 8,000 to 10,000 pounds of merchandise.

Packed and locked by shipper

GOODS are packed into the containers at the shipper's platform, loaded on trucks, locked with the shipper's lock and carried to the freight depot or pier where huge cranes lift them aboard a railway car where they lock automatically and cannot be opened until removed from the car.

At destination, the consignee's truck takes the full container to his door and returns the empty to the railroad which always keeps a number on hand to deliver at the shipper's order.

Contrast this with the old way of handling less-than-carload freight. The shipper backed his truck to the rail-

not, the freight was sent to a transfer point, then consolidated into cars for the particular destination, where it was unloaded by railroad labor, hand trucked to spots on the platform where the consignee picked it up. The time and expense involved were tremendous.

This tedious and costly procedure had opened the way for the appearance of the freight forwarder or consolidator. He applies modern principles of mass production to the handling, transportation and distribution of less-than-carload freight. He gathers less-than-car-



The container is loaded at the shipper's door, taken by truck to the railroad where a powerful crane lifts it aboard the car

load shipments of the same classification and puts them together into a single carload. He derives his profits from the spread between carload rates and the rates on less-than-carload lots as well as from service charges.

The consolidator is not a part of the railroad. He is not truly a shipper nor a consignee. But his efforts benefit everybody—to a certain extent. The shipper gets a reduced rate on small shipments and the speed accorded regular carload freight. The consolidated car materially reduces loss and damage claims through careful stowing of cars to capacity and a minimum of transfer en route. This helps the railroads as does the fact that handling charges and waybill expenses are greatly reduced. Moreover, the consolidator can trace each item while he bears all the expense of solicitation, segregation and concentration of merchandise.

Compiles better with trucks

BUT—here is the cause of the railroad's unhappiness—the consolidator is depriving the railroads of a large part of their less-than-carload freight. The motor trucks have cut into this business which has gradually grown less even in the face of increased hand-to-mouth buying. The roads fear the concentration of a large volume of less-than-carload freight into a few outside hands. This small business is about the only freight not controlled by large and influential shippers who can shift their patronage over night but the freight consolidator is also becoming large and influential. He has no compunctions about diverting tonnage when he finds it to his advantage. And the freight consolidator is rapidly adopting the container to his uses.

So far container service is confined primarily to trunk line territory. The New York Central introduced the first

really practical container service in 1921. The Lehigh Valley and the Pennsylvania adopted it last year and the Baltimore & Ohio and the B. & A. also have introduced it. Cleveland, Buffalo, Newark, Rochester, Boston, Baltimore, Philadelphia and a few additional cities are served and the roads have asked the Interstate Commerce Commission to extend the service to all principal points in central territory as far west as Chicago and St. Louis. It is in this territory that the motor truck has dealt the hardest blows to railroad traffic.

In the western territory the Missouri Pacific has applied to the I.C.C. for interstate container service and stirred up a hornet's nest of protest from various shippers and chambers of commerce which contend that the time is not ripe for container service in the West.

Harry C. Ames, the Commissioner's examiner, reporting on this application, finds that motor truck competition is not severe in the West and upholds contentions that container service on the

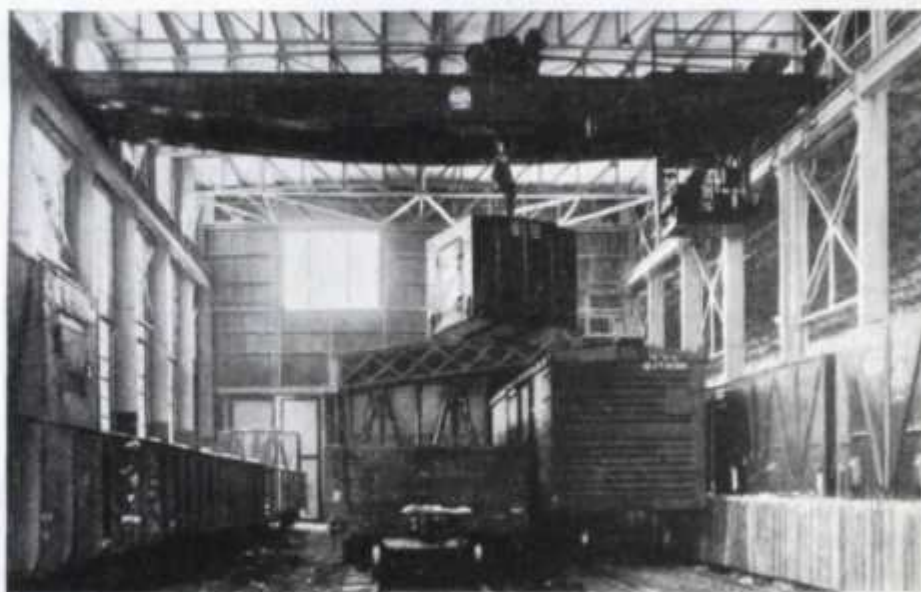
Missouri Pacific alone would play havoc with rate schedules of carriers not using it.

Container rates seem too high

FREIGHT rates are based not only on bulk, weight and type of commodity but likewise upon cost claims, labor costs of loading and unloading and terminal facilities. Container service eliminates, to a large degree, these last three items and the basis for its rate structure is not the same as that for ordinary freight. Thus container rates seem out of line with the others.

Smaller localities, too, are wary of container service, fearing that larger places will have undue advantage because of amounts of tonnage available.

The situation is still more complicated by the fact that containers are not standardized and, hence, not interchangeable. The Pennsylvania uses a five-load container of its subsidiary, the Keystone Container Corporation. The Central



The interior of Universal Station in Buffalo shows the equipment the New York Central Railroad has installed to handle containers



A loaded container car. Some confusion arises because containers are not standardized. Some cars take five instead of six

uses a six-load container of the L.C.L. Corporation of Delaware.

Recent formation of the National Freight Corporation by the Pennroad Corporation to do a general freight forwarding business with the Pennsylvania and other important lines makes it appear that the Pennsylvania will push Keystone containers against the L.C.L. containers.

As a new development in this rivalry, the L.C.L. Corporation has devised the drop-side gondola car. This car is divided into six separate compartments. The drop-side construction makes it possible to slide the container on and

COST-CUTTING REACHES THE SHIPPING ROOM

ARE you satisfied with your crate as is? Or do you believe further savings can be effected? In either instance Weyerhaeuser can be of service to you.

In the first, we can offer the Weyerhaeuser resources for specialized manufacturing service — perhaps point the way to substantial saving. In the second, we can put at your disposal the modern Weyerhaeuser Laboratory Method of Analysis and Design.

Many crates now in use are soundly designed and properly assembled. Frequently, however, Weyerhaeuser Crating Engineers are able to suggest safe substitutions of lighter weight wood with immediately resultant lower cost.

When investigation shows a need for change in design or assembly, the Weyerhaeuser Laboratory Method points the way. It shows you the minimum amount of lumber required and an accurate scheme of fast easy assembly.

The results are important: Adequate rigidity and strength for protection, greater efficiency, neater appearance, fewer damage claims and frequently a real reduction both in labor and shipping weight costs.

Our immense facilities for specialized manufacture and our extensive experience in meeting industrial requirements, are important factors in the accomplishment of these results. Let us give you estimates on your present requirements for cut-to-size crates. If, in addition, you desire our analysis of your crating costs, our district representative will be glad to arrange it.

CRATE HISTORY No. 1031



When Crate A was shipped to our Laboratory at Cloquet, we found it running high in cost because of its excessive weight due: (1st) to the use of an excess amount of lumber of unnecessary thickness; (2nd) to superfluous blocking. Furthermore, the bracing was ineffective.

Crate B was the result of Laboratory analysis and tests and shows a 40% saving in lumber and a 45% saving in weight — resulting in substantial reduction of costs. Thinner members, properly spaced and braced diagonally, gave greater rigidity and strength and being easier to assemble, lowered labor costs.



This seal on your crates marks them as scientifically designed, laboratory tested — worthy of the product they protect.

For the manufacturer who is unable to take advantage of the economies of cut-to-size crates, Weyerhaeuser offers a variety of ideal Light Weight Crating Woods in standard grades and sizes. These woods are light weight, non-splitting and of ample strength to assure adequate protection, making possible unusual savings in both labor and freight costs.

Crating Sales Division

WEYERHAEUSER SALES COMPANY
307 NORTH MICHIGAN AVENUE CHICAGO, ILLINOIS

"We cut our DRYING Costs 73%"



"...the tremendous savings in labor, fuel, power, materials and space, over the old tray dryer, are almost unbelievable."

For forty years Louisville Drying Machinery has been reducing drying costs to an absolute minimum. Our installations have made obsolete other drying methods used in more than 75 different industries. Savings of forty...fifty...sixty...and even as high as eighty-three percent are not uncommon. Drying costs in many instances have been sufficiently reduced to eliminate price competition with a substantial margin of profit to spare.

Hundreds of progressive concerns have found that installation of a Louisville Dryer has speeded up production with less labor and lower fuel costs. These plants no longer dry their products with old-time, high-cost, time-consuming methods. Note below the five possible ways in which a Louisville Drying Machine can effect production economies in your plant.

Ask for Proof—Write!

If you dry any bulk material, Louisville Drying Engineers offer their services without obligation. After studying your problem, they will submit their recommendations for improved drying equipment—if you need it—with conclusions in dollars and cents.

Investigate—Is Your Drying Room Shrinking Your Profits? As exclusive manufacturers of Drying Equipment for forty years, we invite correspondence. No obligation, of course.

5 Possibilities in Cost Reduction

- 1 Cut your fuel bill—possibly from one-third to one-half.
- 2 Cut down the number of attendants, in many instances to part time for only one.
- 3 Save 50% to 75% of valuable floor space for other purposes.
- 4 Speed up production by affording uninterrupted operation of plant, because of continuous delivery of dried material.
- 5 And—give yourself a better quality product.

LOUISVILLE
DRYING MACHINERY
COMPANY,

Incorporated

455 Baxter Avenue, Louisville, Kentucky Cable Address—LOUDRY, Louisville, Ky.

off the car using the drop-side of the car as a runway platform.

The container sets on four legs. A dolly is run under it and it is backed off and deposited in the shipper's truck. This new car costs about \$3,000 but it saves the railroads the heavy investment in cranes that was necessary with the old type of container.

The L.C.L. Corporation has also perfected the so-called brick or bulk container, designed to hold 3,000 loose bricks. Loaded by machinery at the kiln, it eliminates the former waste of time and lost motion involved in loading each brick by hand. At its destination, a crane lifts the container over a truck and the bricks are unloaded through the bottom in less than four minutes. Twelve of these containers, each holding a truck load of bricks, are loaded to a gondola.

Even these advantages, however, do not convince many railroads that container service will benefit them. They see it only as a weapon for the freight consolidator. Expressmen, too, speak of it with bated breath.

Competition for the consolidator

A NUMBER of tentative suggestions looking toward cleaning up the situation have been made. One of these is that the railroads establish a railroad-controlled organization in which all roads would be invited to share. This organization would meet the freight consolidator on his own ground.

As the most logical agency for this task, the Railway Express Agency is suggested, with the approval of the I.C.C. or a change in the Transportation Act to make it legal. Railway Express is railway-controlled, has already worked out a plan for dealing equitably among carriers and the railroads have their money invested in it.

If the container becomes a success, its competition with the railroads' express agency would be severe but, by using it themselves, the railways would eliminate its menace.

The lack of ready interchange between the five-load and the six-load container is a serious drawback. Whether the containers of the L.C.L. Corporation are more satisfactory than those of Keystone is debatable, but at least, they are at present more popular. New York Central, Lehigh Valley, the B. & O., and the B. & A. all use them, while the Missouri Pacific's application for container service calls for containers of the L. C. L. type. In the future, if container service proves generally satisfactory, the I. C. C. may compel the

WHEN YOU BUY STANDARD BUILDINGS

It Pays to Deal with BLAW-KNOX

The growth of customer confidence in Blaw-Knox Standard Steel Buildings has been developed through the association of nearly every branch of industry with the use of hundreds of these long life, low cost structures. Those who know Blaw-Knox Buildings order them as standard practice: Those who purchase their first Blaw-Knox Building do so with confidence that they are obtaining the lowest cost standard building it is safe to buy.

Blaw-Knox Buildings are made from copper-bearing, galvanized steel, pre-engineered and prefabricated. They are firesafe and weatherproof, easily heated and ventilated, practical for all industrial uses. Blaw-Knox Buildings require very little maintenance to keep them in good order during a business lifetime—first cost is practically the only cost.

Before you plan new buildings or extensions it will pay you to get the two building books.

Just sign and return the coupon.



BLAW-KNOX COMPANY

2032 Farmers Bank Bldg., Pittsburgh, Pa.

Please send me your catalogs of
STANDARD STEEL BUILDINGS AND HANDY HOUSES

NAME _____

COMPANY _____

STREET _____

CITY _____

STATE _____



BLAW-KNOX

18 tons of Air per minute *its lung capacity!*

Lungs in skyscrapers? Certainly! Skyscrapers, like human beings, must breathe.

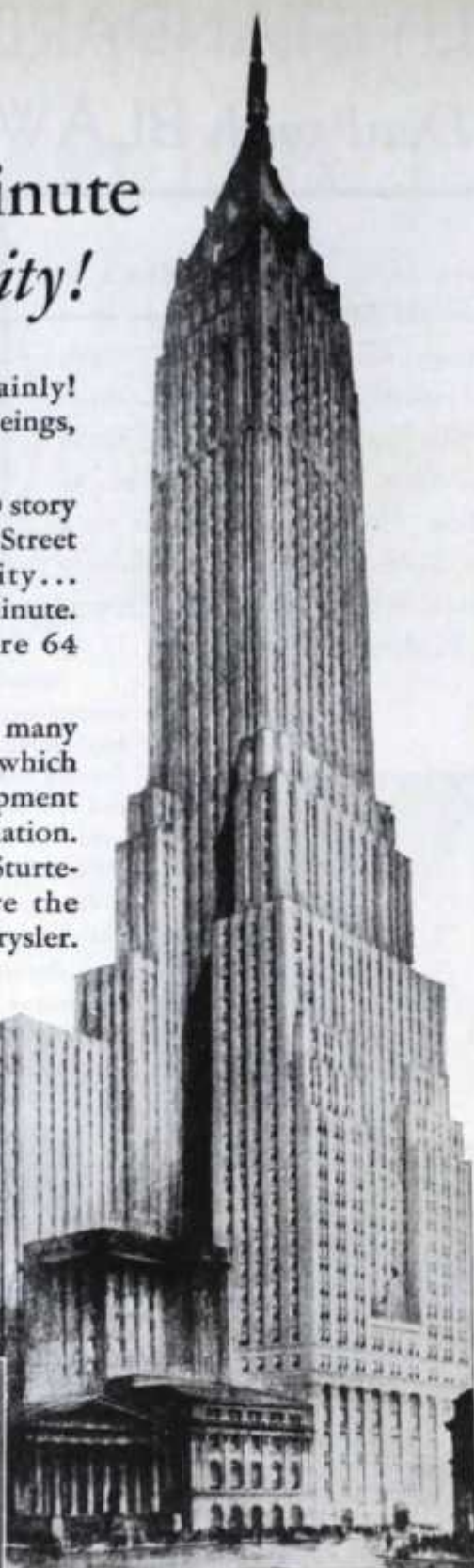
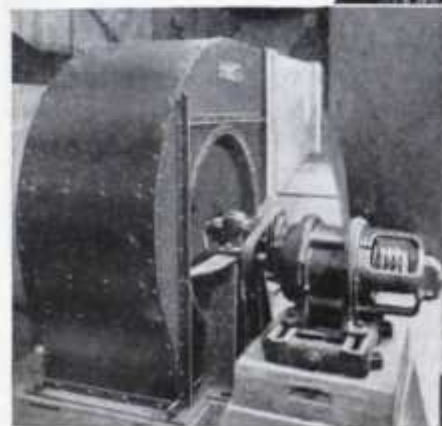
For example, this towering 60 story structure...the new 40 Wall Street Building in New York City... "breathes" 18 tons of air per minute. And its powerful lungs are 64 Sturtevant Ventilating Fans.

40 Wall Street is but one of many notable New York buildings which depend upon Sturtevant Equipment for efficient, unfailing ventilation. Among the recently erected Sturtevant-equipped buildings are the Western Union, Chanin and Chrysler.

B. F. STURTEVANT CO.
Hyde Park, Boston Mass.

Branch Offices in Principal Cities:

Canadian Offices at: Toronto, Montreal and Galt. Canadian Representative: Kipp Kelly Ltd., Winnipeg—Also Agents in Principal Foreign Countries



40 WALL STREET BUILDING, NEW YORK CITY
Sturtevant Bros., Inc., Builders. H. Craig Severance, Architect and Engineer. Yasuo Matsui, Associate Architect. Baker Smith & Co., Heating and Ventilating Contractors.

BANK OF MANHATTAN COMPANY (AT 40 WALL STREET), Sturtevant Bros., Inc., Builders. Morrell Smith, Architect. Walker & Gillette, Consulting Architects. Baker Smith & Co., Heating and Ventilating Contractors.

use of uniform containers in the interest of expediting the movement of less-than-carload package freight.

Container service is no panacea for railroad ills, but it is undoubtedly the means of salvation in handling less-than-carload package freight. Should the I. C. C. approve the suggestion that the Railway Express Agency take over this service in the interest of transportation, then the railways would effectively frighten the truck mouse. There are too many conflicting questions to be settled all at once. Container service has only begun, but its effects have reverberated 'round the continent. Before long, may it not be said, "The stone which the builders refused is become the head stone of the corner"?

The New Warehousing

BECAUSE it is an "ideal point," Philadelphia has been selected by the Associated Grocery Manufacturers of America for the first trial of its cooperative warehousing plan. The merchandise produced by the 182 companies and the many subsidiaries included in the Association embraces virtually all types of package and specialty goods sold in grocery stores.

This group or centralized warehousing system will enable the various participating manufacturers to ship full car loads or pooled cars to the warehouses and thereby, the Association represents, obtain the most favorable freight rates. From the warehouses deliveries in smaller lots will be made to wholesale buyers in the territory served.

The advantages of group warehousing over storage by the individual manufacturer, as explained by Robert F. Miller, the Association's executive vice president, get down to reduced cost of trucking and the lessening of street congestion through the elimination of considerable truck traffic. Under the present system, he said, "each company selects the location of its warehouse without regard to the facilities of other concerns. In a large city, like Philadelphia, a wholesale buyer making up an assorted order might have to send his trucks to as many as fifteen different warehouses to obtain everything required. Under the group plan, he probably could satisfy all his requirements at one warehouse, or, in any case, at not more than two."

Not the least of the expected benefits is presented in the opportunity to standardize blanks and forms used in the various warehouse transactions.



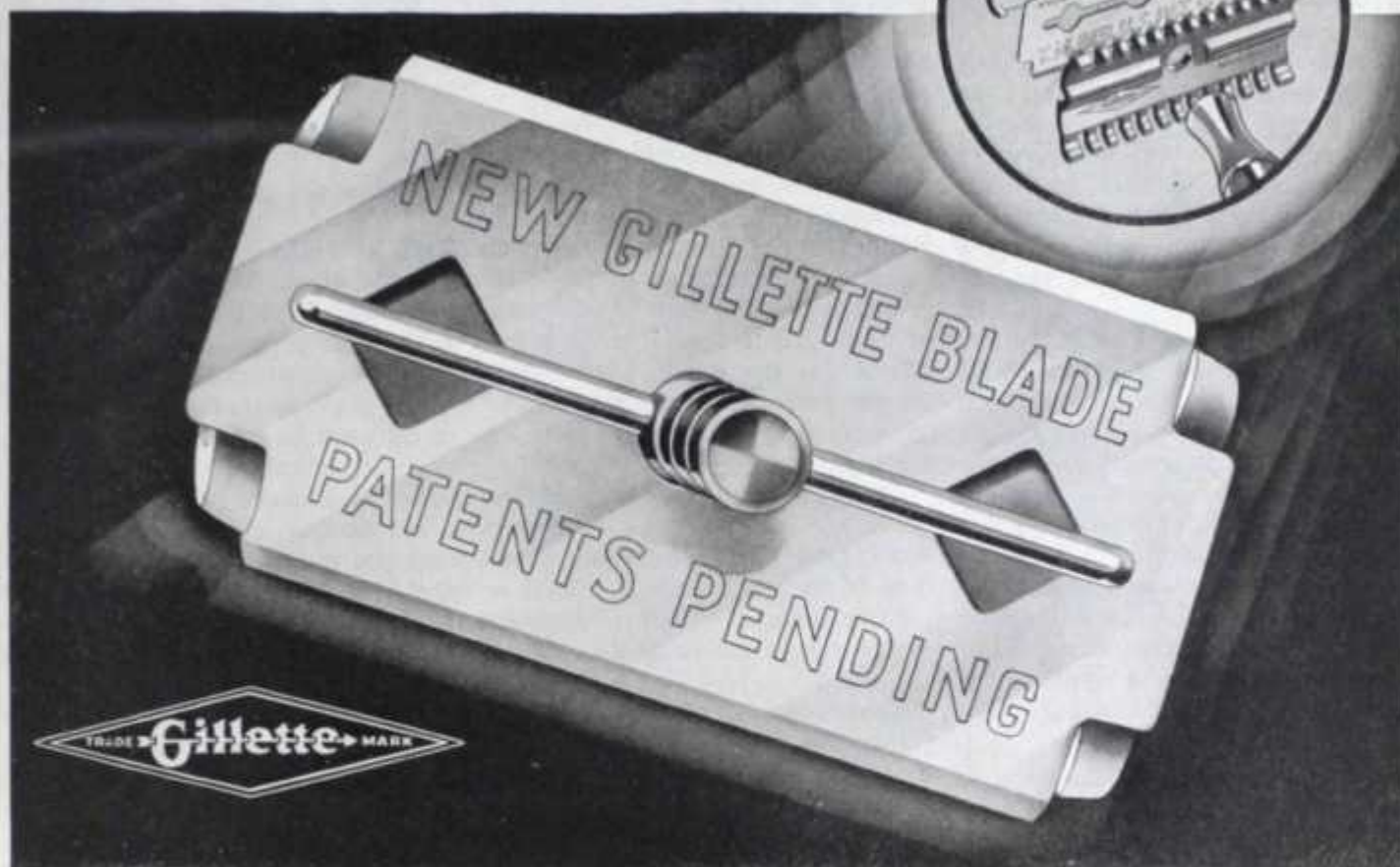
Sturtevant

HEATING-VENTILATING AND
POWER-PLANT EQUIPMENT





The cut-out corners cut out "razor pull"



Damaged corners no longer can spoil your shave

EVERY ONE of the big improvements in the New Gillette was made after careful experiment. Each plays its definite part in increasing the shaving comfort of the millions of men who have bought the New Gillette Razor and Blade since their introduction.

For instance, all four corners of the new blades are cut out. All four corners of the new razor cap are heavily reinforced. These changes, in combination with the new shaped guard teeth, prevent "razor pull," caused in the old razor by drop-

ping it and denting the corners.

The new channel guard leaves the blade edge free, but protected. The rust-resisting blade saves you the tedious task of taking the razor apart and wiping the blade. Now you just shake it dry.

These, and all the other improvements, are yours in the New Gillette Razor for a dollar—in a beautiful case with one New Gillette Blade. Additional new blades at one dollar for ten, fifty cents for five—in the new green packet.

See your dealer today.



\$1.00 for ten and
50c for five

The New Gillette
Blades in the new
green packet



The New Gillette Razor, 24K. \$1.00
gold plated, in a beautiful case,
complete with New Gillette Blade

Other De Luxe Models at \$5.00 to \$75.00

GILLETTE SAFETY RAZOR CO., BOSTON, U. S. A.

The New Gillette Shave

The British Find Cooperation Pays

By ROLFE BALTZELL

Of the London Staff of the New York Herald-Tribune

IN 1855 a group of 28 men, now known as the Rochdale Pioneers, opened a small store on a back street of Rochdale, a town in Lancashire, England.

From that store grew the Rochdale cooperative movement which has, in its more than 70 years, made the lives of thousands of men and women easier and, consequently, happier, and which has assisted many families to maintain a standard of living which otherwise would have been difficult if not impossible.

Even Britons know little of the system which has grown up in their midst, a system which today controls a capital of nearly 125 million pounds sterling and which has an annual trade turnover of 280 million pounds.

Although, through federated societies, the cooperatives manufacture a number of commodities, insure property, and engage in importing, exporting and banking, the societies proper are of two kinds, the distributive or retail and the wholesale or productive societies.

Transact large business

THE size of their operations is indicated by the fact that in 1927 the productive societies employed 102,160 workers, who received 13,740,334 pounds sterling in wages, while the distributive groups had 122,981 workers, who received 15,468,385 pounds.

The retail societies handle groceries, bread, meat, coal, dry goods and allied commodities. The usual method of trading is known as the Rochdale system.

Goods are sold for cash. The prevailing market prices of the region are charged. The profits, which arise mainly from cash dealing and the concentration of business under one management, are ascertained at the end of every quarter or half year and divided in proportion to the purchases of each member.

Every member of a society must become a shareholder to a minimum amount, in most cases, one pound. This may, as a rule, be accomplished by making an initial payment of a shilling and letting dividends accumulate until the requisite amount is reached. No mem-

ber may have more than 200 pounds share capital in any one society. Interest at the rate of five per cent is usually given on all shares accumulated or deposited in the society. Cooperatives thus afford a means whereby persons with small incomes may save money.

At the end of 1927, there were 1,267 distributive societies with more than 5,500,000 members. They did a total business of 199,924,938 pounds, nearly a billion dollars. The societies maintain an annual average stock of 18,878,136 pounds, which they turn on an average of 10.59 times a year. When it is considered that not a few of the highly efficient American chains have smaller turnovers, that figure assumes some significance.

There are only three wholesale societies, one each for England, Scotland and Ireland. These are actually federations of the retail societies in their respective countries. Their management committees are elected by the retail societies.

The wholesale societies have buyers in various parts of the world and supply the demands of those retail societies which deal with them. Just now four farmers' agricultural societies and cooperative societies in Bulgaria and the Argentine are applying for membership.

Scope becomes international

AS a result of recent London meetings of the central committee of the International Cooperative Alliance, representing 55 million consumers conducting business operations involving more than five billion pounds sterling each year, important developments in the promotion of international cooperation are expected.

Reports show that a large interinsurance service is growing between national cooperative organizations, and that intercooperative trading directed by the International Cooperative Wholesale Society amounted to 60 million pounds in 1928. This is six million pounds more than in 1927.

Several national movements have established export departments to foster international cooperative trading, and

the question of opening a London office to centralize and stimulate this activity is being considered.

Where a national cooperative organization can command a dominant position in any market, it is felt that all the buying power of world cooperators should be vested in its hands.

How the plan would work

THE British movement, for example, is not only one of the leading tea buyers of the world, but is increasing its sales faster than its competitors. If the suggested policy be made effective, control of the world cooperative tea trade will be entrusted to the British movement, thus strengthening considerably its power to influence prices.

In Sweden cooperators are well equipped to organize bulk purchase of timber, and they are concentrating upon breaking the international match monopoly just as they smashed the margarine monopoly.

Russian cooperators are likely to play a big part in the application of a "trust-busting" policy. The Soviet is believed to be so rich in natural resources as to be able to make the international cooperative movement immune from any attempt at boycott by the holding up of raw materials.

But the cooperatives' activities are not limited to the handling of merchandise. The Cooperative Wholesale Society's bank at Manchester has more than 43 million pounds sterling of assets and 25,000 current accounts. Its annual turnover is approximately 700,000 pounds sterling.

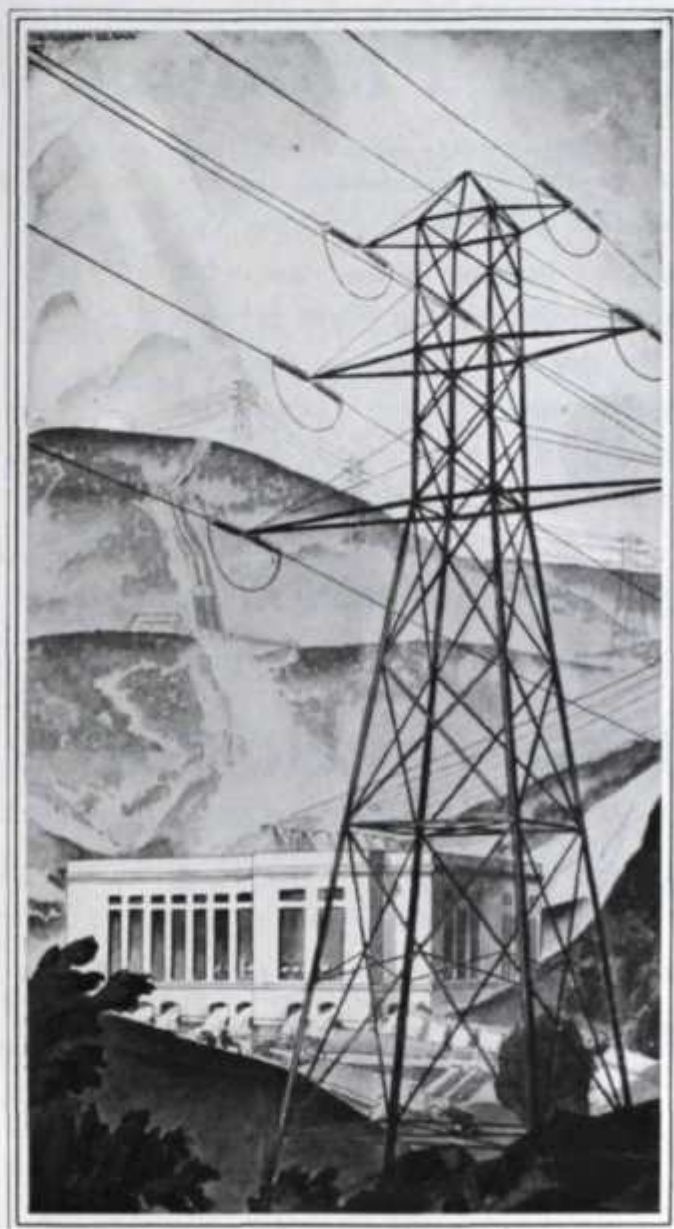
An important part of the bank's business is its popular scheme of individual deposits. Under this scheme nearly 57,000 customers had more than eight million pounds sterling to their credit in 1929. A notable feature of the bank's business activities is the growing correspondence with the trades unions of England and Wales, almost all of which deposit their funds with it. The bank has branches in such centers as London, Newcastle and Bristol.

Independent observers in England like to compare the advance of the co-

The Flow of POWER

speeds the flow of Production

Modern business is tuned to the rhythmical hum of the high-tension power line. Its insistent commands have broken down ancient geographical barriers as old as the first rude paddle-wheel mill. Where once we laboriously carried raw materials to the source of power we now flash power with effortless ease to the logical seat of our production activities — however remote it may be. There we put it to work driving machines, lifting burdens, bringing light, fresh air, heat and comfort—speeding production by making work easier and more pleasant, performing tasks impossible under old methods.



Electric power transmission is based on alternating current, a Westinghouse development, and Westinghouse today supplies electrical equipment to power companies to meet every requirement of modern business.

ELECTRIC POWER BUILDS BUYING POWER

Westinghouse





Careful Planning

One of the distinguishing characteristics of The American Appraisal Company is the care with which American Appraisal Service is designed to meet the *specific* requirements of each client. The strength of an appraisal, just as the strength of a bridge, depends to a large extent upon the excellence of the original specifications.

THE AMERICAN APPRAISAL COMPANY

New York • Chicago • Milwaukee
and Principal Cities

AN INTERNATIONAL ORGANIZATION

"Idea Insurance"

You, as a business man, are certain to carry insurance in some form. On your life . . . or on your car . . . or on your household furniture. Insurance is an old, established business. Its worth is recognized.

Think of your subscription to NATION'S BUSINESS as an insurance policy

against missing ideas which might be worth thousands of dollars to you in your business. Each month the articles in this magazine carry ideas. You may not find one valuable to you in a year. But if you do . . . and we think you will . . . your investment of \$7.50 for three years may be multiplied a thousand fold. And your "insurance policy" will be more than justified.

operative movement to the progress of the chain-store system in America. There certainly are many points of similarity. Both systems produce their own commodities of certain types, employ mass production and mass distribution, offer reliable products at lower prices than most of their competitors.

But here the similarity stops, for the cooperative system has brought about another step, largely because of its economic-theory foundation, the Co-operative Party.

Prime Minister Ramsay Macdonald was enabled to bring his party into power because of the support of the co-operators. Shortly before the election, the Cooperative Party's Congress voted to cast its lot with the Labor Party in the elections. Thus the cooperatives have become not only a great economic but a social force that is touching the lives of approximately one-fifth of the population day by day by giving them commodities, service, and, not least—new ideas.

Are Chains Enemies of The Manufacturer?

(Continued from page 26)

it requires 281 days to transport merchandise from the manufacturer to the consumer.

Contrast this with the experience of one of the leading department-store chains, which turned its stock 4.3 times in one year, transporting its merchandise from manufacturer to consumer in 85 days.

Assuming that the carrying charges for the average inventory are fairly set at a rate of 6 per cent, let us consider what the above illustration means in dollars and cents. The average inventory of this department-store chain for the year in question was \$20,042,480. At 6 per cent, its carrying charges for 85 days amounted to \$280,045.28. With an equal inventory the independent wholesaler-retailer, with a combined turnover of 281 days, must have paid carrying charges of \$925,796.65. Thus through scientific control of inventory and turnover alone the chain-store system referred to is effecting a saving of \$645,751.40 on each turn of this specified inventory.

The chain-store merchant cannot escape such daily object lessons and it is not surprising, therefore, that he is occasionally impatient with those who perpetuate the more costly and wasteful methods of distribution. Many present-



Acknowledgement and Appreciation

SINCE August 1922, ONE HUNDRED successive issues of Nation's Business have been edited, printed and distributed to business men readers.

Never wavering from its policy, the magazine's editorial content has broadened with each successive issue. That policy has been to give not only the business news, but also to break down that news and to interpret it in terms of what it will mean to the business man.

The August 1922 number of Nation's Business was read by 72,000 business men. The April 1930 issue . . ONE HUNDRED issues later . . went to more than 320,000 business men. This circulation increase, indicative of editorial acceptance, has not grown spasmodically but steadily over ONE HUNDRED issues of the magazine . . a gain of nearly a quarter of a million new readers.

And . . every issue during this period has shown an increase in advertising revenue over the corresponding issue of the previous year.

That is a record . . editorial, circulation and advertising . . of which any publisher might be justly proud.

To our many friends and to the loyal members of the staff, Nation's Business makes this public ACKNOWLEDGEMENT and APPRECIATION

MERLE THORPE



THE HIGH SPEED MACHINE

FOR ALL FIGURE WORK



Weston Electrical Instrument Co., Newark, N. J.

Rest your decisions on Comptometer Data

JUST how many unfortunate business decisions result from lack of adequate statistical information, no one knows.

That they are all too numerous is freely admitted—notwithstanding that in every office the sources of such information are always accessible in routine figure records. The question is how to get the desired facts from them most economically.

Certainly management would command more statistical data covering analysis of sales, production costs, comparative experience tables and other informative figures with which to confirm decisions, *if the data could be supplied at less cost.*

The essential cost-reducing factors in such work are:

1. High speed equipment on all kinds of figure work.

If the mental and finger speed of the

fastest operator were twice what it is, it would still be less than *half* the mechanical speed of the Comptometer.

2. Maximum accuracy of operation.

The Controlled-Key automatically protects the operator against short or incomplete key-strokes, both up and down; also against accidental depression of adjacent keys.

3. Faster operation.

A constant source of supply for trained clerks and operators, capable of turning out maximum production at low cost, is provided in our chain of more than 100 Comptometer schools.

The Comptometer is sold, not by argument, but by test—a timed or otherwise measured production test, on any part or parts of your regular work. Ask a Comptometer man about it.



FELT & TARRANT
MFG. CO.
1712 N. Paulina St.,
Chicago, Ill.

CONTROLLED-KEY
Comptometer
REG. TRADE MARK
ADDING AND CALCULATING MACHINE

If not made by Felt & Tarrant it's not a Comptometer

Only the Comptometer has the Controlled-Key safeguard

When writing to FELT & TARRANT MFG. CO. please mention Nation's Business

day conferences between the manufacturer and the chain-store merchant run something like this:

The merchant says, "We are doing the best and most efficient job of retailing. We save the consumer the greatest amount of money. We therefore should be a preferred outlet for your products."

To which the manufacturer replies:

"I am not so much interested in preferred outlets as I am in the price I get for my merchandise. You chain stores demand too much in the way of price concession."

The merchant counters:

"We ask nothing in the way of price concessions beyond the actual savings which we make possible. By way of example, the chain store performs two functions for the manufacturer which no other distributing mechanism performs with equal efficiency, it provides the manufacturer with a ready-made market, thus saving him the extensive costs of market cultivation, and it sustains that market and saves the manufacturer the costs of doing this work at his own expense."

Two sides of the price issue

HE ADDS that he feels that he is entitled to buy merchandise at a price which comprehends these savings to the manufacturer. The manufacturer usually replies:

"It isn't possible. To begin with many of the first-hand costs of manufacturing are so interwoven with the methods and circumstances of the dealer and unit wholesaler system of distribution that we cannot accurately measure the savings you suggest. Furthermore, if it were possible to measure these savings, and if we did make a commensurate price concession, the chain store would cut the retail price and thus disorganize and demoralize the unit wholesale and retail market which we must always keep in mind because the largest part of our business flows through those channels."

And so the controversy goes on and on.

It happens that controversy seldom solves anything and while the excited many are debating the problem an intelligent few are really doing something about it.

Those who are "really doing something about it" may be generally classed as follows—the manufacturers who are buying or developing their own retail outlets; the chain-store merchants who are buying or developing their own

manufacturing resources; the chain stores and manufacturers who are intelligently cooperating with each other for greater manufacturing and retailing efficiency without involving the problem of ownership.

Members of each of these classes have achieved varying degrees of success. It is apparent, however, that manufacturers who enter the retailing field do so chiefly because they could not command efficient retailing service from the established independent retailer.

In the interests of efficiency

IT IS equally clear that the chain store which has developed its own sources of supply has done so chiefly because it could not command efficient prices and service from the established independent manufacturer.

Two illustrations will serve to illuminate this situation.

A manufacturer of men's clothing found that competition among nationally advertised lines and the general inefficiency of large numbers of retail clothiers made it impossible for him to sell the output of his plant on an efficient basis or at a fair consumer price. He therefore established his own stores and, when other clothing manufacturers were struggling to keep their heads above water, prospered far beyond the previous records for the industry.

Chain stores in a great trading area found that they were unable to buy a certain brand of nationally advertised food product on a basis that would permit a fair retail price and a fair profit. They established their own supply facilities and now sell this product under their respective private brands. As a result the most widely known nationally advertised brand has fallen to sixth place in sales in this area, the consumer is buying equal quality at a lower price, and the chain stores are earning a larger profit than this item previously permitted.

The retail clothiers in this case were not interested in a line of merchandise that aimed at the greatest consumer service and value. The manufacturer was afraid that a truly economic price to the chain store would hurt his profit and dislocate his dealer organization. The resultant collision injured the retailer in one case and the manufacturer in the other. Collisions usually end by injuring someone and certain developments in the manufacturing-retailing field seem to indicate an appreciation of this fact and a thoroughgoing desire



Industry's Mainstay —and yours

Few realize how the individual, as well as industry, is dependent upon wire rope—the great flexible "handler" of practically everything.

The illustration shows a great slab of concrete bridge flooring being lifted onto a freight car.

All the material in a modern skyscraper is handled with wire rope—in the "raw;" in shipping; in the actual building erection.

Oil wells are drilled with wire rope; mines are mined and quarries quarried with it. Your furniture and the evening newspaper both originated in logs taken from the forests with wire rope.

Yellow Strand Wire Rope will usually be found where real stamina is demanded. Not mere strength, but strength so nicely balanced with elasticity, flexibility and resistance to the crystallizing effect of vibration, that long life under severest conditions is assured.

One strand of yellow distinguishes this high quality rope from all others.

Broderick & Bascom Rope Co. St. Louis, Mo.

Eastern Office and Warehouse: 65 Washington Street, New York, N.Y.

Southern Warehouse: Houston, Texas

Western Offices:

Seattle and Portland, Ore.

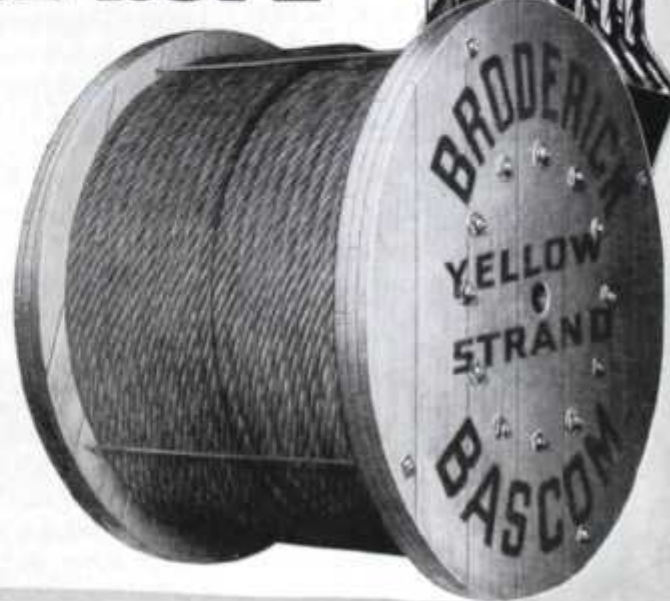
Factories:

St. Louis and Seattle

Manufacturers of nothing but wire rope for over half a century.

Yellow Strand WIRE ROPE

**Aerial Wire
Rope Tram-
ways designed
by this com-
pany have
features that
insure eco-
nomical oper-
ation.**



N760R77

When writing to BRODERICK & BASCOM ROPE CO. please mention *Nation's Business*



Rosita ... in the steerage ... dances to music from the grand salon

THE Powerizer Sound System aboard ship is installed for the benefit of first cabin passengers. Music from the grand salon is distributed to all of their section. They can even lie abed and enjoy it through earphones. But think what it means for those lonely souls in steerage. Music ... good music, changes long evenings of foreboding to speeding hours of happy recreation. Powerizer saves the steamship company the cost of the second cabin orchestra and offers a means of directing in case of disaster. It comprises all equipment for pick-up, amplifying and distributing sound from the air or from records. It is installed and serviced by our authorized electragists everywhere. Send for descriptive literature. Successful sound systems have already been developed for:

Theatres	Skating Rinks	Apartment Houses
Hotels	Amusement Parks	Hospitals
Restaurants	Fair Grounds	Railway Terminals
Dance Halls	Steam Ships	Schools
Stadiums	Excursion Boats	Civic Centers

RADIO RECEPTOR CO., Inc.
106B Seventh Avenue, New York City

POWERIZER SOUND SYSTEMS

Licensed by Radio Corporation of
America and Associated Companies



When writing please mention Nation's Business

to avoid this type of uneconomic waste.

The field of cooperation and friendship among manufacturers and chain stores is not limited to any particular product or industry. A few years ago a chain-store merchant stopped to pay a friendly visit to a crockery manufacturer in the Middle West. His calling card was returned with the information that the manufacturer wanted nothing to do with chain stores. Today this manufacturer is selling 40 per cent of his output to one chain and by cooperation they have served the American consumer in a remarkable way.

Recently this chain-store merchant was in Europe where he purchased a beautiful china dinner set which retailed at approximately 50 cents for each piece. At this time the middle western manufacturer was having difficulty in providing his new tunnel kilns with sufficient items to make operations profitable. Today he is providing the American housewife with a perfect copy of this expensive European dinner set, on a highly profitable basis, and the chain store is retailing it at ten cents a piece.

I could cite hundreds of similar instances of healthy cooperation and friendship between manufacturers and chain-store companies and yet I realize that such instances alone are not of great help in solving the many unrelated problems in which both have a fundamental interest.

Will time bring remedies?

IT MAY easily be that time alone will solve many vexing and perplexing angles of the situation. It seems to me that if certain fundamental principles were kept clearly in mind, it would hasten the progress and increase the profits of both manufacturer and chain store. These principles might be stated somewhat as follows:

First, no buyer has a right to make price demands which involve confiscation of the efficient manufacturer's profits or that jeopardize the continuous and constructive operation of his business.

Second, waste, wherever it is generated and whatever circumstances are responsible for it, cannot be permanently justified. (Certainly no retailing plan in which there is 90 per cent mortality every decade can be anything but wasteful. This may not suggest the chain store as the only alternative but it does suggest that the chain store or some other and better method of distribution must be sought.)

Third, maximum service to the ultimate consumer is the responsibility of every manufacturer and distributor. (Maximum service must always comprehend the right and the duty to get standard merchandise to the consumer at the lowest possible price consistent with a fair profit.)

Fourth, the costs of doing business with chain stores on a cash basis, without credit losses, must be clearly distinguished from the costs of doing business through channels of high mortality and great credit risk.

Fifth, efficient agencies of distribution, such as the chains, have a right to obtain and distribute merchandise without including in the price any of the costs resulting from waste in other channels of distribution.

Helpful results are foreseen

UNDER circumstances of mutual confidence and cooperation there must be many beneficial results—such as a rapid falling off in the quantity of private-brand merchandise which the chain stores are selling, and a progressive increase in the sale of items bearing the manufacturer's trade-mark. In the absence of scientific and sincere cooperation there is certain to be an increase in the sale of private brands of merchandise by chain stores and in the actual entry of chain stores into manufacturing activities hitherto performed exclusively by independent manufacturers.

The chain-store merchant rarely wishes to enter the manufacturing field. Nevertheless, if the products of existing manufacturers are not available to him at prices which intelligently comprehend the rights of the ultimate consumer, the chain-store merchant is forced to decide between serving the manufacturer and serving the consumer.

Of course he must go with the consumer even though this should involve him in the undesirable necessity of doing his own manufacturing.

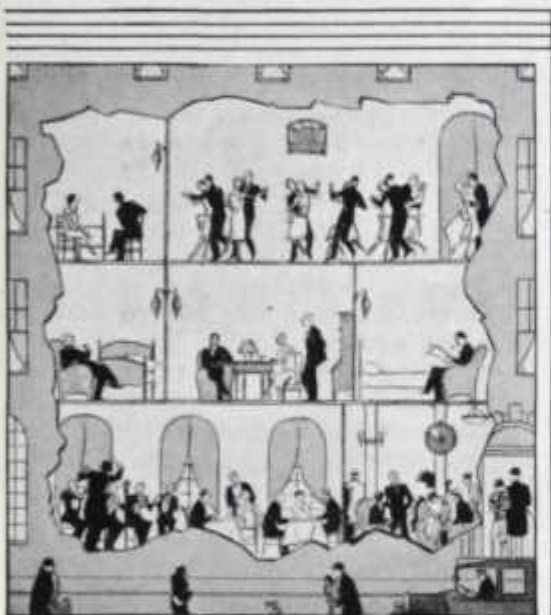
On the other hand, I cannot believe that the intelligent manufacturer has failed to understand that he, too, exists and prospers only as, with maximum efficiency, he serves the consuming public.

The manufacturer and the chain store, and every other marketing agency, are but instrumentalities for giving the consumer service.

In the battle against the wastes in distribution they are inescapably fighting on the same side— allies, not enemies.



BUILT-IN-MUSIC



A MODERN IDEA MADE POSSIBLE BY WESTERN ELECTRIC

Many progressive hotels now fill their walls with music—yours to enjoy by simply switching on the loud speaker in your room.

Western Electric Public Address System enables a single orchestra to be heard in every room desired. And the same system—hooked up with a radio receiver or with the Western Electric Music Reproducer — distributes through the building broadcast programs or music from phonograph records.

In large meeting rooms this Public Address equipment makes all seats good. Even though you sit in the last row you hear every word as clearly as though up front. Schools, hospitals, public buildings, amusement parks and airports are using this system to widen the range of hearing.

This equipment, in refinement of workmanship, tonal quality and reliability, reflects the experience gained by Western Electric in 50 years of telephone making.

Western Electric

PUBLIC ADDRESS AND MUSIC REPRODUCTION SYSTEMS

Distributed by GRAYBAR ELECTRIC Company



MADE
BY THE MAKERS
OF YOUR
TELEPHONE

TOPICS FROM THE BUSINESS PRESS

By PAUL H. HAYWARD

HOW many business men, it is asked in the *Buy-Better Bulletin*, suspect that the common business words they use so frequently have histories quite as interesting as those of men and countries? Today, the article continues, we sometimes speak of a man as "not being worth his salt." This saying comes from the fact that SALARY literally meant salt money, from the Latin *sal*, salt, denoting that in centuries past the weekly stipend was as necessary as salt.

The word COIN came to us from the Latin *cuneus*, meaning a wedge. In olden days the design was stamped on a coin by means of a wedge. In fact, the wedges printers use today are called "Quoins,"—merely a Frenchified spelling of the same word. There is never any question where a note or check should be ENDORSED if we know that in Latin *in* means upon, and *dorsum*, the back.

As the language grows, many words change their original meanings. Take for instance, MANUFACTURE. It is made up of *manus*, the hand, and *facio*, to do or make, thus this word originally meant "made by hand," but now we run across such paradoxical phrases as "Untouched by hand during manufacture!"

MORTGAGE, derived from *mort*, dead, plus *gage*, pledge, means security for a debt, so that if the money is not paid by a stipulated day the pledge becomes "dead," or lost to the debtor.

These few examples . . . reveal that the ancient Greeks and Romans had a comprehensive commercial structure. Business, then as now, was done largely on CREDIT, derived from the Latin *credo*, meaning I believe.



• Cooperating Competitors

"IN Richmond, Virginia," says the *Crockery and Glass Journal* in an editorial captioned "The Better Way," seven dealers in allied lines dine together once a month to discuss developments, to analyze conditions and to exchange ideas. They talk unreservedly about their own experiences and reveal any new sales wrinkles they have evolved.

When asked, "Why are you willing to

divulge your sales ideas to your six competitors?" one of the dealers replied: "Because I am sure they know as much about selling as I do. They have been in business a long time—some of them longer than I have. Every time I go to a meeting with a good progressive sales or service idea, I am pretty sure of coming away with five or six additional ones just as good as mine."

In the old days secrecy hedged business. Extreme precaution was taken to keep competitors in the dark. Surely, the modern policy of openness, frankness, counsel and cooperation is broader and better. Today the most intimate friends many a man has are those engaged in his own line of business. Is not brotherliness preferable to bitterness?



• Another Railroad Record

OF perennial and painful interest is the subject of taxes, and, on the theory that misery loves company, we offer here a bit from *Railway Age* showing how (and how much) the railroads share our sorrows along this line.

"While most of the new railway records established in 1929," the editorial begins, "justify 'pointing with pride,' there is one 1929 mark . . . which the roads would gladly have avoided. This

is the new peak set by railway tax payments, which last year exceeded \$400,000,000 for the first time in history.

In 1894, railway taxes averaged \$100,000 a day. By 1925 they had increased tenfold, to more than a million dollars a day and in 1929 they amounted to \$1,103,097 a day.

Considering the annual rather than daily average tax payments of the steam lines, the 50-million dollar figure was passed in 1902, the 100-million in 1911, the 200-million in 1917, and the 300-million mark in 1922. . . . When railway taxes averaged \$100,000 a day in 1894, they consumed \$3.41 out of every \$100 of gross revenue received by the roads. In 1929 taxes took \$6.34 out of every \$100 of revenues. To meet these 1929 taxes required the entire

gross earnings of all the railways in the country for a period of more than three weeks. . . .

• The Christening of Cement

HOW did the name "Portland" come to be applied to cement? *The Supply Man* gives this account:

"Portland" was first applied to a cement made in 1824 by John Aspdin, a bricklayer of Leeds, England, who mixed clay and lime in definite proportions, burned them in a kiln, and pulverized the resulting mass. He called his product Portland cement because concrete made from it slightly resembled Portland stone, a famous building limestone obtained from the isle or peninsula of Portland in Dorsetshire.

Aspdin, however, was not the first to make the comparison. More than fifty years earlier John Smeaton had stated that a hydraulic cement so made would "equal the best merchantable Portland stone in solidity and durability."

The cement made by Aspdin was hydraulic lime in the sense that the clay and lime mixture was merely calcined and not clinkered. Modern Portland cement is made by burning the mixture to a clinking temperature and then grinding the clinker.



• He Was Kicked Out at 64

EVEN though it points an obvious moral, this story from *The Standard*, New England insurance weekly—and the editor avers that the tale is a true one—is well worth quoting. "He was 64," we read,

and had served his company faithfully for 40 years, reaching a position which gave him a salary of \$10,000 a year. Then the president approached him apologetically one day, presented him \$2,000, and informed him he was to be given six months leave of absence and then sever his relations with the company. The president and directors noted with some relief that the aged employee took the matter calmly.

Two weeks later the president and directors were invited to a "farewell" party

Can any other great vacation offer you all this..

The full sweep of the world's most varied playground on a regular roundtrip ticket—at summer excursion fares



"HOW BEST TO SEE THE PACIFIC COAST"
—an illustrated book that will help you plan. Write H. H. GRAY, 531 Fifth Ave., New York City or O. P. BARTLETT, 310 South Michigan Blvd., Chicago.

To you who have already singled out one gorgeous spot for a Pacific Coast vacation, this railroad of the West offers the thrill of *all the rest*.

As famous trains bear you swiftly, smoothly to your destination and back again, the whole broad panorama of the West, its breath-taking contrasts, its endless variety—unfolds before your eyes. Southern Pacific offers you a choice of four great routes that cross the continent to meet and run along the whole Pacific Coast—and Southern Pacific allows you to go one way, return another, just so all this glorious out-of-doors can be included in a single trip.

Stopover privileges are liberal. And to take advantage of them need cost but little extra time. Study the map and thrill to the idea of new experiences that you would never dream a single roundtrip ticket could enfold.

You can go west by any northern United States or Canadian line. Then by SHASTA ROUTE down through the Pacific Northwest to California. You will see Puget Sound, Mt. Baker and Rainier National Park. Seattle, Tacoma and Portland. Crater Lake National Park. Mt. Shasta, Lassen Volcanic National Park. You can vary the trip by a motor coach tour through the Redwood Empire. Cosmopolitan San Francisco.

Then southward along the bluest Pacific—old Spanish Missions, Monterey, Del Monte. Lovely Santa Barbara. Or, by alternative route, the inland valleys with their access to Yosemite, General Grant and Sequoia National Parks; and the high Sierra. Next, Los Angeles; Hollywood with its movies. Pasadena, Long Beach, San Diego and Agua Caliente. Finally, homeward by either SUNSET ROUTE via San Antonio, Houston and

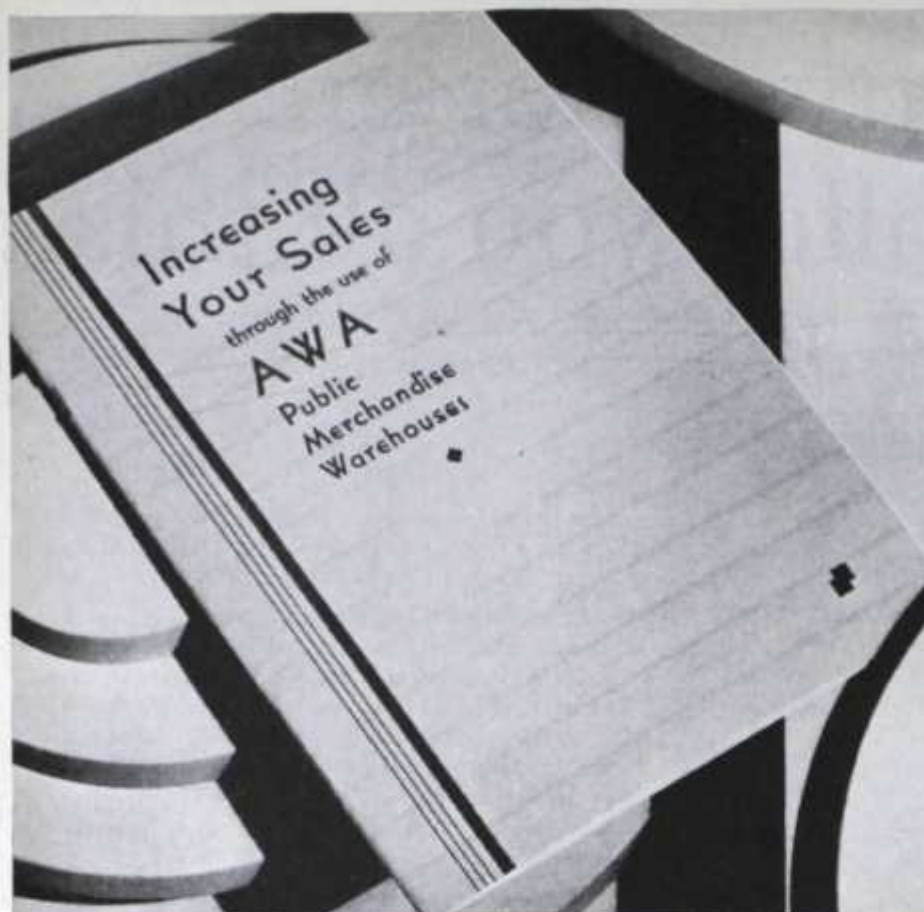
New Orleans; GOLDEN STATE ROUTE via El Paso, Kansas City and Chicago; or OVERLAND ROUTE, San Francisco to Chicago, across Great Salt Lake by rail. Or you can reverse this order, going west by southern or central routes, returning via northern lines. *Low fares West in effect May 15.*



Southern Pacific

FOUR GREAT ROUTES FOR TRANSCONTINENTAL TRAVEL

When writing to SOUTHERN PACIFIC offices please mention Nation's Business



This is the Free Book Alert Executives Are Reading!

Babson Institute requested 200 copies . . . manufacturers seeking national distribution find it extremely helpful . . . better send today for YOUR copy!

Within a week you can establish branch house service anywhere you need it in 126 cities where A. W. A. Public Merchandise Warehouses operate. Send us your goods . . . put your sales force to work in any or all of our 126 major markets . . . we will do everything for you that your own branch houses could do in the physical distribution of your goods! And we'll do it for less than it would cost you to operate your own branch houses!

We receive merchandise in carload or less-than-carload lots . . . store it as long as you wish . . . distribute it when and where you instruct us. Thus you can achieve strategic "spot stock" distribution throughout the United States, Canada, Cuba,

Hawaii . . . and be able to deliver your goods quicker at less cost.

Many nationally-known manufacturers have successfully used our services for years to distribute their products economically. Among them are Beech-Nut, Bon Ami, Borden, Carnation Milk, Colgate, Comet Rice, Karo, Argo, Mazola, Linit, Flit, Vacuum Oil, Federal Match, Kotex, Hoover Sweeper, Lux, Rinso, Lifebuoy Soap, Mellin's Food, Postum, Ivory Soap, Quaker Oats, Tanglefoot, Vick's Vapo-Rub . . . and thousands of other products, made by manufacturers large and small.

Possibly the A. W. A. plan of distribution will help you! Send today for our booklet, and investigate!

Public Merchandise Warehouse Division
AMERICAN WAREHOUSEMEN'S ASS'N.
1723 Adams-Franklin Building, Chicago, Illinois



at the employee's home. With some interest they accepted. Imagine their surprise when they found their former employee living in an expensive neighborhood, in a fine house and surrounded by all that indicated wealth.

Questioned by the president it was brought out that the old employee had from the first looked ahead to the possibilities of his old age. He had bought life insurance annuities for age 65 and he had bought endowments as he could. Beyond that he had invested with wisdom and care and was worth some \$200,000.



Immediately the president intimated that the company could use a man who had been so successful on its board of directors. . . . The aged employee indicated that of course he could not go back into such a position of trust at the same money and was offered \$2,000 additional.

But he had been offered \$20,000 a year by such and such a firm, rivals of his old company, he stated.

Today the aged employee is chairman of the board of his old company at a salary of \$25,000 a year and directing the affairs of the concern. . . .

♦ The Building Industry Acts

A CONDITION in the building industry of which Thomas T. Flagler, president of the Associated General Contractors of America, complained in his article "Give the Contractor a Chance!" in the September NATION'S BUSINESS is now being corrected through cooperative action on the part of organized surety companies and contractors.

Irresponsible contractors who in the past skipped hither and yon, leaving surety companies to hold the bag when they failed to fulfill contracts on which they had underbid reputable contractors, henceforth will find such operations increasingly difficult, we read in *The Constructor*. At the same time reputable contractors, surety companies and public alike promise to be protected from such operations through the Bureau of Contract Information, Inc.,

a cooperative venture in fact finding and fact disseminating, established for the benefit of the entire construction industry. . . . No such central source of information has ever previously existed. An owner, architect, engineer, public official, surety company, financial agency, material concern or equipment distributor faced with a proposal from any contractor, reputable or otherwise, never had any means whereby the ability, integrity or past performance

You can call for the help of a THOUSAND OFFICE EXPERTS ...through your "Y and E" Man

SOME blue Monday morning when your office systems seem to be at sixes and sevens... when you can't find an important letter because it was misfiled... when you're just about to fly into a violent rage...

Put in a phone call for the "Y and E" Man. Tell him your troubles... and see how quickly he can help you bring order out of chaos.

For your "Y and E" Man is not only highly trained in the science of modern business routine... he brings to you the accumulated experience of a thousand "Y and E" Experts... an experience that has kept pace

with the needs of business for 50 years.

He can tell you how to place your desks and files to occupy minimum floor space and give maximum efficiency. He can help you with your accounting systems, your stock control, or your sales distribution by needed changes in your printed forms.

You may suspect this "Y and E" Man of being a salesman. He is... and he will be glad to explain to you any "Y and E" equipment or systems in which you are interested. But he is first and foremost a service man at your service today.

Just look for "Y and E" in your phone book. Consultation costs nothing and places you under no obligation.

YAWMAN AND ERBE MFG. CO.

528 Jay Street Rochester, N. Y.

Canada: The Office Specialty Mfg. Co., Ltd., Newmarket, Ont.

Export Dept., 168 Broadway, New York, N. Y., U.S.A.



*This is one of the new
"Y and E" Steel Desks*



"Foremost For Fifty Years"

1880  1930

OFFICE EQUIPMENT

STEEL AND WOOD FILING CABINETS... STEEL DESKS
STEEL SHELVING... SAFES... OFFICE SYSTEMS AND
SUPPLIES... BANK AND LIBRARY EQUIPMENT

Before and After



Is steam fog one of your problems?

The two actual photographs taken at Youngstown Pressed Steel Company, Warren, Ohio, tell how Modine Unit Heaters overcome it.

Above, is the hot pickling vat for treating sheet metal before Modines were installed—visibility nil. Below, with Modines installed, practically all steam is dispersed.

In dairy plants, cleaning establishments, paper mills, as well as metal treating plants, Modines are equally successful.

In industrial plants large and small, the name Modine has come to stand for better, quicker, dependable, more economical heating as well as the desirable equipment for special applications. Modines suspended from the steamline, deliver heat down and keep it down where it is effective. Let us send you complete facts now.

MODINE MANUFACTURING COMPANY

Manufacturers of Unit Heaters

Domestic Copper Radiation Automotive Radiators

1710 RACINE ST. RACINE, WIS.

Branch offices in all large cities

London Office: S. G. Leach & Co., Ltd.

26-30 Artillery Lane



Modine

Unit HEATER

© M. M. Co., 1930

MODINE
Product

of that contractor could be determined beyond the question of a doubt. Today that agency . . . is being rapidly brought to a stage where it can begin to function. . . .

To date and probably for several months to come the Bureau will not attempt to gather and file information on those contracting firms that do not voluntarily cooperate with it. Its staff has been fully occupied without going after those who possibly may not wish to have the facts as to their past performances laid bare. As soon, however, as the records of the many thousands of responsible contractors are compiled through the voluntary cooperation of such firms, work will begin on the records of those who through neglect or other motives have not cooperated.

Today the fact that a contractor has his record fully checked and on file at the Bureau of Contract Information, Inc., is in a measure a testimonial of the responsibility of that contractor. It will continue to be such for several months or until the Bureau begins to utilize its resources to gather the facts about that minority of contractors whose performance has not been all that is desired.

• The Genesis of Gasoline

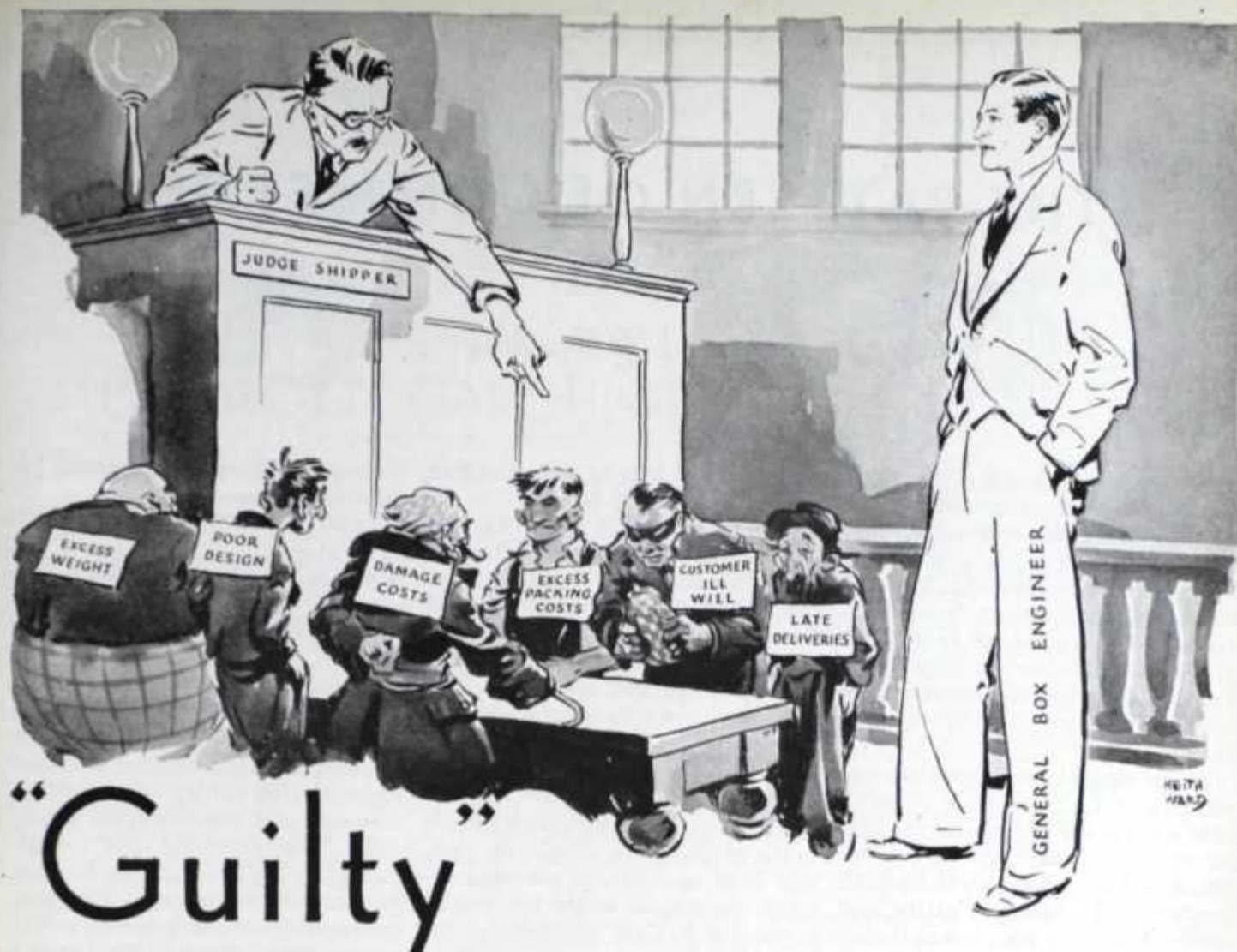
THE processes of refining gasoline and the improvements in those processes are reduced to lay language by *Petroleum Age*, which explains that

petroleum is a mixture of many hydrocarbons, which boil and vaporize at different temperatures. When a quantity is introduced into a still and subjected to gradually increasing heat, the lightest elements escape as vapor and are then condensed. The lightest to come off are the naphthas and gasoline; then, at a higher temperature, kerosene vaporizes, next come the heavier oils, paraffine and other products.

This process is commonly known as "straight" refining. In response to changing demands, refining operations have had to be adjusted so that the products in greatest demand could be supplied in sufficient quantity. The most striking and revolutionary adjustment came with the tremendously increasing requirements for gasoline, previously a waste product.

By the improvement of old methods and processes and the inauguration of new, the petroleum industry has been able to increase the yield of gasoline from the crude oil instead of that of kerosene and lubricating oil. The yield of gas oil and fuel oil, however, still is the largest of any product.

In 1899 only 5.4 gallons of gasoline were derived from a 42-gallon barrel of crude oil run through American refineries. On the other hand, 24.2 gallons of kerosene were produced (kerosene being then the product in principal demand), together with 5.9 gallons of gas and fuel oil, and 3.8 gallons of lubricating oil. Today 15.8 gallons of gasoline are derived, only 2.8 gallons of kerosene, 19.6 gallons of gas and fuel oil, and 1.69 gallons of lubricating oil.



The evidence submitted by General Box Engineers has convicted these six thugs in many hundreds of shipping rooms. Excessive shipping costs that penalize profits must go!...In one instance, a manufacturer of miscellaneous rubber goods laid his shipping room problem before General Box Engineers and told them to go the limit. His shipping cost was too high, and he knew it. He later accepted our redesigned shipping cases, and after using them over a long period of time, writes — "We like your boxes very much... of advantage is the matter of cost, ease of storage,

OUR OFFER

Consign your product, just as you pack it for your customers, to one of our laboratories (either 62 W. Grand Ave., Chicago, or 151 Kent Ave., Brooklyn). Our engineers will study your present box or crate, redesign it to eliminate excess costs, ship your product back in the recommended package, and submit a report that will either point the way to definite savings or give you assurance that no improvement can be made. Or, if you prefer, write for one of our engineers to study the problem in your own shipping room. The investigation is free, either way.

ease of assembling and light weight... the matter of weight represents considerable to us. We formerly used, as you know, heavier boxes and the freight was approximately 50% more. This has been a very important item to us." ... Such savings in money, time, and materials show how an analysis of your own shipping may help you to find better, faster, and cheaper methods of packing and shipping your product. Read our offer, accept it, act on it, and thus put it squarely up to us to furnish you proof in terms of your own problem. A dozen well-distributed plants protect the economies we help to find.

GENERAL BOX COMPANY

502 N. DEARBORN ST., CHICAGO, ILL.

*One Service
Nation-Wide*



When writing to GENERAL BOX COMPANY please mention Nation's Business

THE PATTERN OF COMMERCE



AS SEEN BY

Raymond Willoughby



IF there were no earlier evidence that remoteness from humanity is possible in the midst of a flourishing civilization, it is now at hand in a report from Switzerland. The situation comes about through the construction of a 3,000-foot tunnel in the heart of the Alps. By diverting some of the waters of the Rhine the tunnel will increase the storage capacity of Lake Ritom.

As the mouth of the tunnel is at an elevation of 7,300 feet, it is accessible only by airplane. Throughout the winter months the workmen were snow-bound, and it was necessary to lay in all supplies at the beginning of the cold season. A specially built stone hut provides living quarters for the force of 35 men.

Electric lighting, heating, and cooking are made possible by a power line from the generating plant in a distant valley. Should the line go down under an avalanche or a heavy snowfall, current could be generated with a gas engine included in the camp equipment. Pigs, sheep, goats, and even a cow are also on the job to supply fresh meat and fresh milk. A radio, a phonograph,

and a library help to cheer the men during their evening hours.

So the world's work goes forward by the labors of men withdrawn for a time from mankind. Their isolation is as complete as though they were seeking the secrets of inhospitable nature in desert waste or arctic tundra—demonstration enough that detachment from the world is not a matter of distance.

♦ Toning Down the Turnstiles

WHAT the tinkle of the cash register is to the merchant, the click of the turnstile is to baseball and subway magnates—sweet music in any key. But all is not praise. Cash customers of the New York Interborough seem to have little ear for the clamorous prelude to the subways' income. Now something is being done toward toning down the rush-hour racket raised by the collective clicking of many turnstiles.

The idea is to install gears of a softer material than steel. If the muted click does the job—and it is still an experiment—the transit company will have done its bit in the campaign for a great big silent New York. Click or no click,

passengers of the old school can still get their accustomed kick in bucking the turnstile.

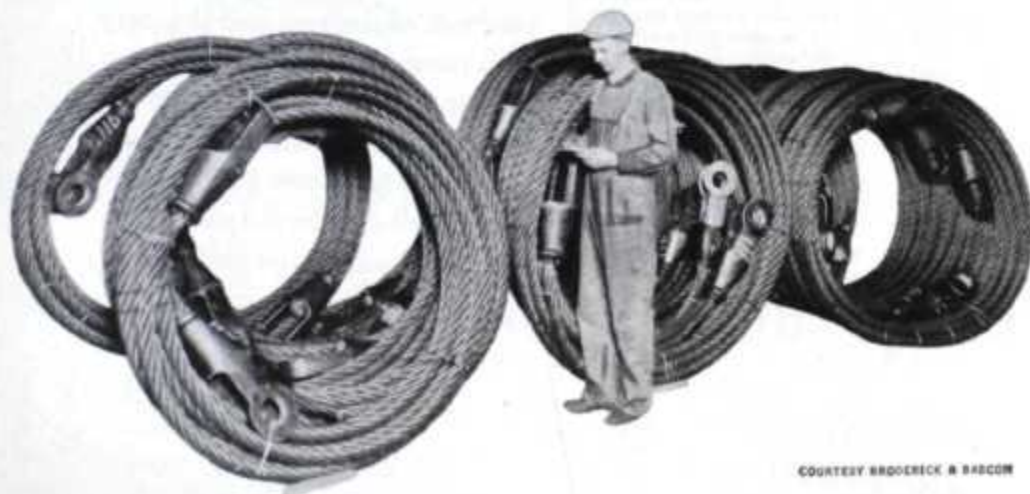
♦ Making Ancestors Articulate

NEBULOUS as all futures are, a look ahead in educational methods discloses revolutionary possibilities for the talking motion picture. Engineers of the General Electric Company, for example, think it quite likely that the newspapers in 1950 will say, when reporting commencement exercises at our universities, "The graduating class was addressed by the late Professor Einstein, who conducted experiments illustrating his theory of the fourth dimension." Or on some other occasion of that period, a reporter might write, "Sir Oliver Lodge, who died several years ago, spoke on the 'Action of Forces in Space' and conducted several interesting experiments during his address."

Sir Oliver will be quite capable of doing that, for the identical lecture is now on record as a talking-picture film, and has already been presented several times in this country while the lecturer himself was going about his affairs in England.

Yet interesting as these applications may appear in our educational prospect, the talking film promises a larger service as a sort of circulating reference work. And folks who come after us won't be satisfied with seeing and hearing university ceremonies and platform lecturers. Like as not, they will want to see and hear the big-wigs of our day at their official chores—dedicating monuments, laying cornerstones, and speechifying.

Posterity will know our times by sight and sound. A generation or so, and people who talk for publication won't be able to



COURTESY BRODERICK & BACON

These huge wire cables raise and lower the lift span of the new Shippingsport Bridge over the Illinois River on State Highway No. 2, near LaSalle, Ill.

Why you feel at home in

PIEDMONT CAROLINAS

MANUFACTURING executives who locate plants here "feel right at home". The people they meet, the workmen they employ, and the gracious life they live are reminiscent of an earlier America that is rapidly being crowded out of more congested, heavily industrialized sections.

Typically American, too, is the wealth of opportunity on every side. Raw materials in abundance. Willing and productive labor. Nearness to large consuming markets. A rapidly advancing country, well past the "pioneer" stage, yet still in early development.

MEN OF WEALTH, EXPERIENCE, VISION—Piedmont Carolinas invites, by its advantages, men of wealth, experience and vision. To such men it returns rewards far above the ordinary.

Already it has richly repaid those who have moved their businesses here. Their prosperity has been written large in factories that have doubled, trebled and quadrupled in the passing of a few short years.

They find an abundance of native-born white farm labor. They draw on Carolina fields and farms for raw material. They turn the Carolinas' forest wealth into furniture and other wood products. They utilize the output of Carolina mines and quarries.

MARKETS OF EVERY SORT—And all about them they find markets. Local markets, made up of active earning workmen. Industrial markets created by thriving industry. And a shorter reach to the heaviest purchasing centers of the country.

[The facts about Piedmont Carolinas' 50% greater market opportunity than the Atlantic seaboard's chief ports—its saving in freight—are in the book shown ▼]



You, if you come here, will find life pleasant, stimulating

and active. The bracing climate of the Piedmont Plateau, 500 to 1000 feet above sea level, is comfortable in summer—exactly paralleling New York-Pennsylvania. In winter it is 15° to 20° warmer. It is dry and exhilarating, with 10° to 20° less humidity.

A PLEASANT LIFE—On one side of Piedmont Carolinas, an hour or two away, lies a mountain region with twenty peaks higher than Mt. Washington. Unexcelled resorts invite you to play in the fresh mountain coolness every week-end. Alongside the Piedmont's eastern border are Aiken, Pinehurst and Southern Pines. And a half day away are famous beaches and seaside resorts.

Piedmont Carolinas is not over-industrialized. Three quarters of its people are still earning a living from the soil. Factory work, with shorter hours, greater comfort, and surer, steadier pay, is welcome.

You must see this region to appreciate it—its quiet towns with comfortable residential streets, its upstanding, enthusiastic people, its unspoiled playgrounds and untouched supplies of natural resources.

COME—SEE IT—Drive down. Good roads lead in from every part of the country. See with your own eyes the opportunities here.

And meantime, evaluate the possibilities from such facts and data as are already available. Send for the book shown below, "Piedmont Carolinas—Where Wealth Awaits You."

It contains in brief, comprehensive form information drawn from authentic sources. It shows raw materials available, explicit marketing data, wage tables, and other general facts of value to you. Send for it. Address Industrial Department, Room 102, Mercantile Bldg., Charlotte, N. C.

**DUKE POWER COMPANY
SOUTHERN PUBLIC UTILITIES CO.
AND OTHER ALLIED INTERESTS**

Of all the rayon yarn used by Southern Mills, 72% goes to Piedmont Carolinas. Yet in spite of that fact, the men, women and children of the Carolinas wear more rayon hosiery, underwear and knitted outdoorwear—than is manufactured here.

* * *

Piedmont Carolinas exports wheat, hogs, cattle, tanbark and cotton goods. It imports large amounts of flour, breakfast food, fresh pork, ham, bacon, dressed beef, tanned leather, shoes, and clothing. Everyone of those manufactured products is now being made here profitably.

* * *

Carolina clay and feldspar are now shipped three and four hundred miles away to be made into insulators and electrical porcelains. Carolina potters hand-work native clays into beautiful wares. Carolina electrical development is famous. There is a potential fortune in these three facts.

* * *

In only three branches of industry do the Carolinas produce more than they consume.

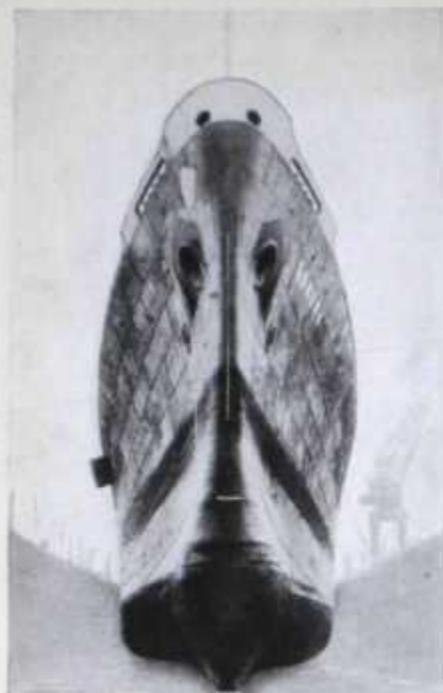
* * *

The mild climate hereabouts is responsible for the popularity of cotton clothing. House dresses, children's rompers, dresses, and wash suits, men's shirts and work clothing are all imported into Piedmont Carolinas in quantity. Many of them are made from goods woven on local looms—and carry two needless freight charges.

* * *

Each community in Piedmont Carolinas is famous for one commodity, or offers advantages that could easily make it famous.

PIEDMONT INDUSTRY CAROLINAS



COURTESY NORTH GERMAN LLOYD

The *Europa's* bulbous bow, which nosed out a new Atlantic record

dodge responsibility with the old charge of reportorial garbling. When all's said and done, the film will provide the answer in the negative.

♦ Ten Acres of Sails

LONG as it has been a question whether yachting is a sport or a business, preparations for the forthcoming defense of the *America's* cup suggest that there's more to the racing than a smart crew and a stiff breeze. Only the wind comes for the whistling. Everything else puts pressure on the longest purse.

Sails, for example. The four sloops which are to compete for the honor of defending the cup will require about 70 sails with an aggregate area of 50,000 square yards, or approximately ten acres—half as much canvas as shelters the combined Barnum & Bailey and Ringling Brothers' circus. Of course, each yacht seldom spreads more than four of her sails at one time, but "spares" are necessary and the complete set runs around 17 or 18, including "passage" sails to save the expensive racing canvas. American Wamsutta duck has earned consideration in the face of a traditional preference for English cloth.

Deft and skillful fingers are favored over machines for the exacting job of shaping and stitching the sails. This work was done at City Island, New York, where George Ratsey and his sons, Ernest and Colin, direct a staff of 70 cutters and sewers. Whatever the evidence that the day of commercial sail-

ing ships is past, the periodic revival of the cup classic advertises anew the survival of the expert sailmaker—an artist in his own right at putting beauty unadorned into blank canvas.

♦ Modernizing the Law Aloft

IT IS commonly observed that the development of air carrier law has not kept pace with the improvement of air transportation. After a quarter of a century of flying, the legal questions involved in the carriage of goods and passengers are now being brought to a common focus for study and interpretation. Timely assistance in that behalf is becoming available through the active interest of university law schools.

For its part, New York University purposes to publish a quarterly review of the legal aspects of aviation. This enterprise grows out of the establishment of a research program in aviation law in cooperation with the American Aeronautical Chamber of Commerce. The *Journal of Air Law*, edited by university schools of law, is already off the press.

Carriage of goods and passengers by air is bound to raise complicated issues with regard to the liability of the transport companies, the rights of owners of land over which flights are made, the violations of national, state, and municipal regulations, and the public utility aspects of franchises. A comment

by E. A. Harriman, of the Washington bar, directs attention to the difficulties that now confront courts and lawyers alike:

Precedents in the law of carriage by land and by sea are important but not conclusive in the law of carriage by air. The task of the courts is to apply the principles of the existing law to the new situation created by the inventions which have made air traffic possible; and the task of the lawyer is to advise his client, as best he can, what will be the probable attitude of the courts on the new questions thus arising.

Meantime, the layman has a direct personal interest in the determination of his legal status in air transportation over land and sea. It is altogether human and natural for him to want to shift his present liability under the law of gravitation.

♦ Diverting the Traffic Flow

A VAUDEVILLE gag, old as the traffic problem, angled for a laugh by inquiring what made Chicago ill of noise. The answer is to be heard and seen today in the main streets of many other cities. It has been the fashion to designate these streets for through travel, and therein lies the cause of considerable congestion and complaint.

The idea proceeded logically enough from the belief that trade would be benefited by routing transients through the business districts. Trial has proved the contrary in some municipalities. The flow of cars has become so large, and the emphasis on speed so persistent that few of the travelers stop at all.

Some Illinois towns and villages have been telling the State Highway Commission about their traffic troubles. Their local problems have been aggravated, they contend, by the increase in through traffic.

So great is this volume that it endangers the lives of the citizens. For remedy it is proposed to shunt nonstop traffic around the business districts, and thus prevent congestion in the downtown streets. As the Illinois townspeople put it, if the speeding



COURTESY GENERAL ELECTRIC CO.

These two pumps, hung on cables, aid work on the Owyhee Reclamation Project dam in Oregon

... as if La Salle Street were Wall Street



If The Chicago Daily News were published in New York City . . . Wall Street would rank it as one of its favorite evening newspapers.

For The Daily News is equipped to serve its financial readers in the New York tempo. Its market tables are set in wide legible columns by the accurate, speedy Hy-lo system. Its final markets edition is on sale within ten minutes after the ticker closes.

But in Chicago The Daily News is even more definitely identified as the newspaper of the financial and business reader.

For here The Daily News is the ONLY evening newspaper covering the story of the markets in the fashion the age demands and in the way Chicago deserves. It is the only Chicago evening newspaper presenting on the same trading day the complete and accurate New York and Chicago exchange and curb bond and stock tables with the volume of sales, yearly range, opening prices and dividend in each stock issue.

This financial service—made possible by a costly and elaborate development of newsgathering and composition methods—is important in itself. It explains in part the keen interest in The Daily News by the business interests of Chicago. It is more important as a criterion of newspaper enterprise. As in finance, so in every department, every day, The Daily News endeavors to issue the most accurate, the most timely, the most complete daily newspaper in Chicago. The increasing support The Daily News receives from its readers and from advertisers both local and national is the measure of its success in this endeavor.

ADVERTISING REPRESENTATIVES:

NEW YORK
John B. Woodward, Inc.
110 E. 42d St.

DETROIT
Joseph R. Scolaro
3-241 General Motors Bldg.

SAN FRANCISCO
C. Geo. Krogness
303 Crocker 1st Nat'l Bank Bldg.

ATLANTA
A. D. Grant
711-712 Glenn Bldg.

Member of The 100,000 Group of American Cities

THE CHICAGO DAILY NEWS

Chicago's Home Newspaper

Success—



while you are young enough to enjoy it

"I met Armstrong this afternoon at Ingleside—last chance for a little girl before we sail for Europe on the Elbe."

"Pretty soon," said Bob Armstrong, "you say—a lovely country home, and on a week-day when the other boys are playing at the club—a six weeks' trip to Europe with the family—and all this wonderful success while he is still young enough to enjoy it!"

But why look with envy upon success well earned—especially when it is within your power to attain that same success? If men in business only realized how tremendously valuable are those early years, and how vital it is to get into a "swing" now, they would make it an inflexible rule to devote several evenings every week to home-study training.

One of America's foremost business men—an active director in a dozen big corporations—made that statement recently; and if you have the slightest doubt of its truth, you need only check it by the actual records of LaSalle-trained men, many of whom, though still in their thirties, are commanding five-figure salaries.

Send for Free Information

"I'm determined to succeed," you say—and we do not deny that hard work and day-in-day experience will eventually win some measure of success. It success it does, however, will not doubtless come if it comes while you are still young enough to enjoy it!

And it is not a tragic waste of years to continue at outdoor tasks, simply because you will not spare the time to master those bigger jobs that command the real rewards!

Ten Year Promotion in One is a booklet that shows you how you can save years that would otherwise be wasted—and the coupon will bring it to you FREE.

With this book we will send you, without cost or obligation, particulars of the training that appeals to you, together with details of our easy-payment plan.

Prove that you mean what you say when you say that you want to get ahead—by what you do with this coupon NOW.

—Find Yourself Thru LaSalle!—

LASALLE EXTENSION UNIVERSITY

The World's Largest Business Training Institution

Dept. 5374-R Chicago

I should be glad to learn about your salary-increasing plan as applied to my advancement in the business field checked below.

- ☐ Business Management
- ☐ Higher Accountancy
- ☐ Modern Salesmanship
- ☐ Traffic Management
- ☐ Railway Station Management
- ☐ Law—Degree of LL.B.
- ☐ Commercial Law
- ☐ Industrial Management
- ☐ Modern Foremanship
- ☐ Personnel and Employment Management
- ☐ Paper Selling
- ☐ Banking and Finance

- ☐ Modern Business Correspondence
- ☐ Expert Bookkeeping
- ☐ C. F. A. Coaching
- ☐ Business English
- ☐ Commercial Spanish
- ☐ Effective Speaking
- ☐ Railway Accounting
- ☐ Telegraphy

Name

Present Position

Address

NEXT MONTH

a fiction story by Paul McCrea introduces two newspaper men, who in fun, start out to lobby a "great cause" through Congress, and succeed beyond their wildest hopes. It is an amusing tale . . . but one which gives food for thought.



guest wants to part from them, they stand ready to speed the parting.

• A Coat for Bank Notes

METALLIZED bank notes are visible on the business horizon by report of Arthur D. Little, Inc., of Cambridge, Mass. Twenty years ago M. C. Schoop, of Zurich, began development of a process for metallizing wood, paper and other materials. Molten metal was spattered over the surfaces of the materials to be metallized. The improvements of subsequent years included means for melting the metal in an electric arc or in an oxyhydrogen burner with atomizing nozzles of different types, and mechanical devices to regulate the thickness of deposits by controlling the rate of feed. Copper, zinc, tin, lead, and aluminum have provided extremely thin films.

A year ago announcements were made of a method of metallizing paper with zinc or copper. The essential feature was a device for regulating the rate of movement of a sheet of paper below an atomizing nozzle to correspond with the rate at which the metal was sprayed. This method has been so successful that the inventor now hopes for the production of bank notes, coated with tin or copper. These bank notes could be readily folded or crumpled, but would be impossible to ignite, very difficult to tear, and of extraordinary wearing quality. If the idea is shown to be practicable, the world may eventually find it possible to get along without breaking a bill.

• Now They Impound Autos

SAYING that a problem stated is half solved may do for proverb making, but it gets no more street space for parking automobiles. Exclusion has been enforced to good purpose in some congested areas, notably in Chicago's "loop" district. Now, New York is trying out an ingenious experiment. Cars which overpark are removed by the Department of Sanitation as street obstructions, and their owners are assessed \$10, not as a fine, but as a bill for haulage.

The pain of parting with the cash is something, of course, but mental anguish must be figured, too. The distress endured between discovering that a good car is gone and then finding out that it is in hock takes its own toll of peace of mind. But it may be that this plan will not stand the test of legality. The irate have begun to demand their money back, and a harassed comp-

troller has raised the question of validity.

Whatever the plan's status under the law, there can be little doubt that the parking regulations are unenforceable in New York. As evidence, the Commissioner of Police reports the increase of seizures—750 a month last spring to about 1,100 a month in the first quarter this year. By way of answering this riddle, the suggestion is made that the city provide parking garages at cost, just as it now provides street parking spaces at no cost.

• The Growing Bus Business

AT THE beginning of 1928, the route mileage of common-carrier motor coach operations was about four times the mileage of electric railway track, or three quarters of the track mileage of the steam railroads, according to figures given by F. J. Brackett in a paper presented at a joint meeting of the Pennsylvania Section of the Society of Automotive Engineers and the Engineers Club of Philadelphia.

At the end of 1928, common-carrier motor coach route-mileage was more than seven times the mileage of electric railway track, he said, or more than one and one-quarter times the track mileage of the steam carriers. In the four years preceding 1928 the number of motor coaches operated in the United States increased from 53,000 to 86,000. That motor-coach operation is fast becoming a part of big business is shown by the situation at the beginning of 1929, when 322 steam railroads and electric railroads were operating 11,318 motor coaches, and 45 companies operated 22.65 per cent of all the common-carrier motor coaches in the United States.

And if the mileage of cruising taxicabs were added, as Mr. Brackett suggests, only an Einstein could find the figures descriptive of the scope of the motor vehicle's operations.

• Aviation Improves Its Footing

FROM the very beginning aviation has had to contend with the complaint that its ground work was less modern than its planes. Happily this low spot is in a way toward improvement through organized encouragement of specialized designs for air terminal facilities. A prize competition, sponsored by the Lehigh Portland Cement Company of Allentown, Pa., is a timely case in point, for it has stimulated the preparation of many practical designs of airports to serve American cities.

All parts of the country were repre-

*The beautiful
Wilshire Tower,
Los Angeles,
built entirely
of concrete*



CONCRETE *sets a magnificent stage for sales*

As modernly conceived, architecture has become an important ally of business. Farsighted merchants know that sales are stimulated by an attractive setting. This is especially true with merchandise of high cost—yet even the great ten-cent store chains find good architecture an asset.

To provide the stage for modern merchandising, many architects have used concrete construction not only for purely structural purposes, but for exterior surfaces and ornamental detail. In their skilled hands, concrete provides an environment in which dignity is tempered with grace, and massiveness becomes a thing of rare beauty.

Because it is firesafe, concrete affords utmost protection. Because it endures through generations, its economy cannot be questioned. Throughout the structure it assures uniformity, rigidity, strength. From bedrock to skyline, concrete renders an unmatched service.



An example of fine craftsmanship in concrete. Decorative details, including panel over entrance, cast in place at the same time and of the same concrete as the walls. Exterior flat surfaces finished with tinted portland cement stucco. Gilbert Stanley Underwood, Architect; H. W. Baum Company, Contractors, both of Los Angeles

PORTLAND CEMENT Association
Concrete for Permanence and Firesafety CHICAGO



THE FINEST SAFE GUARD CHECK WRITER EVER BUILT

Have you seen the new Instant "8" Safe Guard Check Writer? It is the latest development of the outstanding leaders in check writer design . . . Distinctive, it offers new exclusive refinements. It is modern, scientifically designed to speed the check writing operation . . . Attractively finished in jade green and black enamel to harmonize with modern office furnishings and to lessen eye-strain. Compact to economize desk room . . . Light, easy to handle . . . And it provides more complete protection than ever before.

Because the pace setters in every line of business have standardized on Safe Guard Check Writers, checks written on the Safe Guard have come to be recognized everywhere as the mark of an alert, successful, up-to-the-minute business . . . building good will as well as offering positive protection against forgery.

You owe it to your business to put your best checks forward. Ask for a representative to demonstrate the improved Instant "8". It will not obligate you in any way.

SAFE GUARD CORPORATION
LANSDALE PENNSYLVANIA

sented in the 257 designs submitted. It is worth noting that every contestant visualized the significance of the airport as a community gateway, and, equally important, as a decisive element in city planning.

The jury of award, headed by Raymond Hood, internationally known architect, awarded prizes amounting to \$10,000. First prize, \$5,000, went to A. C. Zimmerman and William H. Harrison of Los Angeles, who submitted a joint design. Second prize, \$2,500, went to C. Gifford Rich of Chicago. Third prize, \$1,000, was won by Odd Nansen of East Orange, N. J., and Latham C. Squire of New York with a joint design. Fourth prize, \$500, was given to Will Rice Amon of New York. There were also 12 honorable mention awards, each carrying a prize of \$100.

Apart from the Lehigh Company's public service in promoting better design and plan of airports, it has also helped to modify the unprofitable idea that the success of aviation is ruled entirely by its conquest of the air.

♦ A Bank with a Record

POSSIBLY no one will be surprised at hearing that the Hungarian Commercial Bank of Pest has 21 branches, is affiliated with 26 banks and savings institutions, and is allied with banks in Austria, Bulgaria, Czechoslovakia, Jugoslavia, Poland, and Roumania. In order to be useful to the business community banks have regularly provided the services of financial connections at home and abroad. The distinction of this Hungarian bank is to be found in its own sphere of influence.

The thing that stands out in the report of last year's operations is the diversity of the bank's permanent investments—insurance companies, coal mines, stone quarries, iron works, cable and wire works, manufacture of agricultural implements, production of cartridges and fuses, weaving and knitting works, railways, automobile transport, ice making, dairying, breweries, sugar, cocoa, and chocolate factories, gas and electric power companies, industrial chemical works, wood-working plants, and so on and so on, a veritable catalog of Hungarian industry. The list is long enough to make the bank seem all things to all business men, and its millions of pengös the financial sinews of a nation.

But there is something more, something forthright and tersely patriotic in the bank's identity with the city of Pest, for to speak by the book, it is the "Pesti Magyar Kereskedelmi Bank"—to us,

the Hungarian Commercial Bank of Pest, Budapest. Possibly here is the European parallel for the double portion of sentiment indicated in our own Walla Walla. One story had it that the people there liked the site so well they wanted to name it twice.

♦ Why Do We Buy Books?

WHY some books sell and others don't is a mystery that has troubled the book trade from the beginning. Light is now at hand through inquiries made by the publishing house of Simon & Schuster. A post card enclosed in each book asks the buyer, "Why did you become a purchaser of this book?" Nine possible answers are suggested to the buyer, and the replies, as shown by the tabulation of 9,265 returns, are as follows:

Reviews	3,454
Advertisements	2,460
Recommended by a friend	1,219
Reputation of author	604
Bookstore display	420
Interest in subject	409
Gift	270
Lecture or sermon	230
The title	199

Not every one would be able to come to so clear cut an explanation of the collapse of sales resistance. More likely, a composite of influences should be set down for the reason of purchase. At any rate, the jobs of the reviewers must seem less in jeopardy by this public testimonial to the decisiveness of their judgments.

While no mention is made of price in the questionnaire, there is considerable evidence that it plays a part in ruling the volume of sales. The "ten worst book towns" in the United States—the cities which bought fewest books in the bookstores in proportion to their populations—as disclosed by *The Publishers Weekly* through a canvass of book salesmen—do not seem so benighted when measured by their appetite for fifty-cent editions. Five are among the best "paper-book towns," and two of the others were up to the national average. Possibly these straws are enough to indicate that people will buy books if the price is made to seem a privilege rather than a premium.

♦ A British View of Shipbuilding

TO hear Great Britain tell it through the *London Times Trade and Engineering Supplement*, she is supreme in ships and America cannot build ships at a competitive figure. Whether or not the reasoning is convincing, it is certainly



"Management needs more

FACTS about Handling"



FACTS concerning the endless variety of applications that make electric trucking profitable for large and small plants alike . . .

facts about reduced man-hour costs . . . facts about improved operating conditions . . . facts about the high cost of transporting materials by hand, often hidden in overhead.

New electric truck applications developed in recent months include new ways of speeding production, increasing storage areas, reducing labor turnover, simplifying inventory records and cutting handling costs.

The illustration above shows an enormous 20-ton die being moved in an automobile plant entirely by an Elwell-Parker Hi-Lo Electric Tractor.

The die is removed from the press by the Tractor, carried to the storage rack, and deposited in the proper place. The Tractor then selects another die, transports it to the press and pushes it into position. The complete operation is performed in a minimum of time, without the operator leaving his platform.

Heavy dies moved faster

Savings in labor cost have been tremendous. Idle time charged against the press has been greatly reduced. Equipment damage and accidents have been almost entirely eliminated.

Is your company making full use of electric industrial trucks?

There is one simple way to make sure. Let Elwell-Parker make a survey of your plant. Lower cost methods of handling your materials will be suggested if any can be found. The survey costs you nothing, and does not obligate you in any way. We will be glad to arrange a conference for you with your nearest E-P Engineer. Address the Home Office in Cleveland for details.

On an Elwell-Parker Tractor, the power can be applied to the wheels before the brake is released. A fully loaded Tractor can thus be stopped and started on an incline without danger of slipping back. Your safety committee will appreciate the importance of this advantage.

The Elwell-Parker Electric Co.

SHIP on
SKIDS



Designers and Builders of Electric Industrial Trucks, Tractors and Cranes for 24 years.

4251 St. Clair Avenue, Cleveland, Ohio

Tractors

When writing to THE ELWELL-PARKER ELECTRIC CO. please mention *Nation's Business*.



This Summer... JOIN THE On-to-SEATTLE Movement!

ALL OVER the nation, millions are turning their eyes, their thoughts, to Seattle and the great Pacific Northwest region—planning the ideal summer vacation! Yearly the numbers grow! It takes on the aspect of a great national movement!

To all—and especially to the business and professional men of America—the Seattle Chamber of Commerce extends the invitation to make this your Seattle summer!

To know the Pacific Northwest is a necessary part of the education of every progressive, well-informed American. For here are being laid the foundation stones of a mighty industrial and commercial empire. Here American civilization is entering upon a new era of tremendous import. The Pacific Era dawns!

Consider the significance of these factors: Tremendous resources



of timber, coal, minerals . . . agricultural lands of unsurpassed productivity . . . one-sixth of the nation's water-power . . . splendid land-locked harbors . . . strategic geographic position . . . Pacific commerce growing . . . gateway to the Orient and Alaska . . . direct service to Hawaii and ports of the world. A steadily increasing influx of population.

In these, read the future of this region! And add to them—



climate of marvelous mildness and scenic attractions unsurpassed. Seattle, a metropolitan city of more than 400,000, invites you to come, to see and to play . . . to golf, hunt, fish, motor, swim, explore . . . to learn and to enjoy!

Four great transcontinental railroads to serve you. Only 63 hours, Chicago to Seattle. Special low rates, May 15 to Sept. 30.

California can be included in your trip at little extra fare.



Seattle

Center of the
"CHARMED LAND"

CHAMBER OF COMMERCE,
Room 65, Seattle, Washington

Please send me, FREE, your illustrated booklet.

Name _____

Address _____

When writing please mention Nation's Business

ingenious. "The Americans have to pay twice the British rates of wages without having any advantage in the matter of output per unit of labor." For another thing, we are told "there is no shipyard in America better equipped mechanically than the best British yards, and the difference in wages per man as between America and Britain is also the difference in actual labor costs per unit of production," amounting in this British opinion to 100 per cent.

Where the wish is father to the thought, as it is likely to seem in any British appraisal of the "hardships" of the American merchant marine, there will be no lack of considerations to direct a verdict of British "supremacy." Yet there is a distinct service in the mere quotation of the odds against our shipbuilders. They can see how they stand in the eyes of a powerful competitor, even though his statistics may not be as seagoing as his pride.

♦ New Models in Definitions

TWO definitions of long standing in the automobile industry are put in a way of immediate revision by Donaldson Brown, vice president, and chairman of the finance committee, General Motors Corporation. The idea of overproduction, for one thing. In the past, overproduction has been defined as a maintenance of production out of proportion to the retail sales rate. But in the future, says Mr. Brown, "we must define overproduction as being that quantity of cars in excess of the production that would be required to insure a proper stability and provide equitable profits to both the manufacturer and his dealer organization."

Just as a matter of consistency, perhaps, an industry which prides itself on periodic changes in its products is bound to bring out an occasional new model in its definitions.

♦ The Wandering Soda Fountain

DRUG stores being what they are, the innovation of a soda fountain in a grocery store is no great shock to merchandising sensibilities. This new service is being tried out by the Great Atlantic & Pacific Tea Company in one of its Philadelphia stores. While the company frankly regards this development as an experiment, a bulletin of the National Chain Store Association says it may prove significant of a new trend in food stores, and adds "combinations of delicatessen stores with groceries, soda fountains and luncheon service are becoming quite common at the points in

big cities where there is a meeting of transient trade with service to departments districts."

But this move "by America's largest grocery chain is taken to mean that an entirely new type of food store is in process of being developed in the chain-grocery field."

What the soda fountain may mean to the retail grocery trade in this country is one thing, and what it may hold for the British Navy is quite another, as "Lucio" suggests in the *Manchester Guardian Weekly*.

On hearing that the Admiralty is considering the installation of ice-cream plants as a move toward better and brighter battleships, he reports the likelihood of this stimulating conversation between an admiral and his subordinate officers:

"Is the soda fountain functioning?"

"Aye, aye, sir—the egg phosphates are in fine form!"

"Are the sundaes ready?"

"Aye, aye, sir—as rich as real cream will make 'em!"

"Good! Then bring me a malted milk and let the battle begin!"

♦ Cancer—and a Railroad

AN AGE that regards innovation as the expected and change the rule may still find something of novelty in the idea of a railroad financing a cancer clinic. For some time Dr. Walter B. Coffey and Dr. John D. Humber have been making experiments with adrenal treatments at the Southern Pacific Hospital in San Francisco. Paul Shoup, president of the Southern Pacific Company, has announced that his company would underwrite further experiments.

Of the work he said, "The Southern Pacific will bear all expenses in connection with Dr. Coffey's cancer work. It is very gratifying to us that a work of such importance has come out of the Southern Pacific General Hospital, to which Dr. Coffey has been attached almost all of his professional life. We want Dr. Coffey to do his research work where he began it. The work shall not suffer for lack of funds or any facilities that may be required. There are no restrictions."

It is proper that the experimental nature of the treatment should be accented, yet this thoughtful concern to protect the public interest is no less apparent in the original provision which made the research possible. The readiness to serve beyond the mere letter of a transportation charter contributes a useful standard for measuring the bigness of big business.

NEW YORK STATE

offers seven great advantages to industry

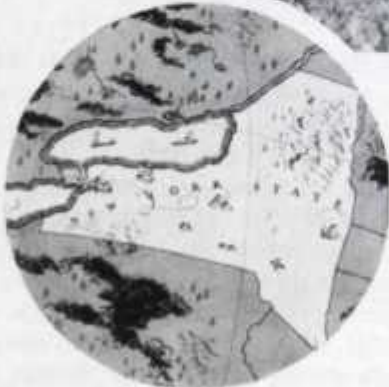
THIS message is intended for the busy executive who is interested in choosing a location for his plant on a scientific basis. On this page are presented in quick, terse fashion, seven reasons why so many industries have found New York State an ideal location for their plants.

It will pay you to know more about these reasons. . . cheap power, labor, population, transportation, raw materials, capital and climate. Our new book, "New York, the Great Industrial State," gives detailed information in a concise, usable form, and is sent without a personal follow-up. If interested, write Niagara Hudson Power Corporation, Albany, N. Y.

CHEAP POWER. . . Niagara Hudson's rates for electricity are materially lower than those of the country as a whole. This cheap power is available even to smallest communities.



WALL ST., N. Y. CITY. . . New York State's bank resources lead the nation. This state pays more than one-fourth of all Federal income taxes.



A GOOD PLACE TO LIVE. . . Lake, Mountains, unimaginable scenic beauty—New York rivals the world's finest playgrounds in its opportunities for enjoyment.

POPULATION. . . Surrounding New York State are 49% of the nation's people and 55% of the nation's wealth. Your distribution costs are low here.

RAW MATERIALS. . . produced in great quantities, are also within easy access by water or rail.



SKILLED LABOR. . . untrained, happy, with a higher output per worker than almost any state.



LOWER FREIGHT COSTS. . . Railroads, linked with concrete roads, water and airways make economical shipments possible.

WRITE for our new book, describing the specific industrial advantages of territory served by Niagara Hudson, including among others the localities listed below:

ALBANY	LANCASTER
ALBION	LEROY
AMSTERDAM	LITTLE FALLS
ANTWERP	LOWVILLE
BALDWINVILLE	LYONS
BALLSTON	MALONE
BATAVIA	MASSENA
BOONVILLE	MEDINA
BROCKPORT	MOHAWK
BUFFALO	NEW YORK MILLS
CANASTOTA	NIAGARA FALLS
CANTON	N. TONAWANDA
CARTHAGE	NORWOOD
COBLESKILL	OGDENSBURG
CORTLAND	OLEAN
COHOES	ONEIDA
DEPEW	OSWEGO
DOLGEVILLE	POTSDAM
DUNKIRK	PULASKI
E. SYRACUSE	RENSELAER
FAIRPORT	ROME
FALCONER	ROTTERDAM
FORT EDWARD	ST. JOHNSVILLE
FORT PLAIN	SALAMANCA
FRANKFORT	SARATOGA
FREDONIA	SPRINGS
GENESEO	SCHENECTADY
GLENS FALLS	SCOTIA
GLOVERSVILLE	SKANEATELES
GOUVERNEUR	SOLVAY
GOWANDA	SYRACUSE
GREEN ISLAND	TONAWANDA
HAMBURG	TROY
HERKIMER	UTICA
HOMER	WATERFORD
HUDSON	WATERTOWN
HUDSON FALLS	WATERVLIET
ILION	WELLSVILLE
JAMESTOWN	WESTFIELD
JOHNSTOWN	WHITEHALL
KENMORE	WHITESBORO
LACKAWANNA	WILLIAMSVILLE

NIAGARA . . . HUDSON
POWER CORPORATION

Served the old ...serve the new

When Chicago's Tacoma Building, the first all-steel frame skyscraper was torn down, Jenkins Valves, 42 years in service, were still good. It is the economy of long service that makes Jenkins a first choice for big buildings such as the Chrysler, New York Life, Woolworth, Graybar, Equitable and Daily News. Jenkins Bros., New York, Boston, Philadelphia, Chicago.

Jenkins
VALVES
Since 1864

—JOHN HANCOCK SERIES—

to . . .

Corporation Directors

HAVE you ever marveled at the administrative ability, selling ability, technical knowledge, or skill in organization matters shown by one or more of the officers of the company or companies under your guidance? Suppose their services are lost through death?

Good men are hard to find. In the meantime the corporation or corporations in which you are interested stand to lose a substantial sum through the loss of their services. Life insurance offers a practical plan to replace the money value of "key" men.

John Hancock
LIFE INSURANCE COMPANY
OF BOSTON, MASSACHUSETTS

INQUIRY BUREAU:

197 CLARENDON ST., BOSTON, MASS.
Please send booklet, "This Matter of Success."

Name

Address

N.B.

—Over Sixty-seven Years in Business—

How Chambers Can Serve Retailers

By J. KENNARD JOHNSON

Manager, Binghamton (N.Y.) Chamber of Commerce

NO MATTER what the size of their community, chambers of commerce, in giving service to retailers, are faced with the problems of large *vs.* small merchants, central-city merchants *vs.* suburban retailers, and, in many instances, with heated protests if representatives of chain stores or mail-order retailing branches are included in conferences or plans.

Thankful indeed can any chamber be whose merchant members realize that the two groups, independent and chain, are competitive links in modern merchandising and that their problems must be solved by study. Certainly legislation cannot cure them.

Preachments and practice

YEARS ago I became impatient at many activities of the average retail merchants' group. No "buy at home" campaign has been conducted in any city that I have served. Why? Well, the greatest argument against it is that the average retailer himself goes out of his own community for so many of his own personal purchases.

One of the most effective ways to help the retailers is to help the retailing district. Better streets, better parking regulations, new store fronts, well-lighted and properly arranged window displays, widened streets, ornamental lights, elimination of displays of merchandise and other obstructions on the sidewalks, sidewalk cleaning, all improve the retailing district and by attracting trade help business.

Chambers can install many continuous services for their retailers. Credit bureaus can be established—bureaus of the kind that provides very meager information or of the kind that gives the fullest data.

Other services may include anything from maintaining mailing lists and managing "dollar days" to teaching ethics and truthful advertising. Stunts and special trade events may be developed without end. Groups may get together through the chamber and do many things no individual could.

Possibly the best way to help the merchants is to educate them and their

employees. A chamber cannot, of course, proclaim to the average merchant that he doesn't know his business, but it can do a great deal toward helping to educate merchants who need more knowledge of retailing principles. When a course in retailing is planned, the average merchant will probably want it to be devoted entirely to salesmanship. The quickest way to let him see that salesmanship is only one part of his trade is to ask him to answer a list of typical questions on retailing such as:

How much stock shall I carry to make sales and profits on each line?

How can I control surplus stocks to reduce losses?

When is an advertised line at less margin profitable?

When are duplicate stocks necessary to sales and profits?

A sample of what can be done in the way of educational service is furnished in the executive and credit management course opened at Binghamton on February 6. A period from 6:15 to 7:45 each Thursday evening for 16 weeks is being devoted to a "Training for Credit Service" course, worked out in conjunction with the extension school of the University of Syracuse. The course is sponsored by the Retail and Wholesale Credit Councils of the Binghamton Chamber and has been approved by the executive officers of the National Retail Credit Association and the National Association of Credit Men.

For retailer and wholesaler

IT IS the only course that has been especially prepared to teach credit fundamentals to retailer and wholesaler alike.

The smaller the city, the more dependent is the chamber of commerce upon the retailer. The smaller the retailer, the greater, in all probability, is his need for help. I believe that the chamber with a well-organized retail merchants' division can more readily justify its existence and its right to receive the support of its retailers if the proper efforts are put into a safe, sane and constructive program, along with the furnishing of continuous services such as most of us are giving.

"PRACTICALLY PERFECT"



SAYS THE NEWSTEEL ENGINEER... "APPLIES TO EVERY NEWSTEEL SHIPMENT"

ONE of our customers, who uses an unusually wide steel sheet (55 inches), reports "an almost perfect run" on a recent shipment of 4000. Scrap loss was reduced to an insignificant minimum—17 sheets, to be exact. Perhaps you are experiencing too high a percentage of scrapped sheets. Call in the Newsteel Engineer for a thorough study of your needs. A simple change in specifications may be the answer.

Whatever type of Newsteel Sheet he suggests, will be the right sheet for your product, and will assure a practically perfect run from every shipment.

35

Newsteel High Grade Sheets from which your specifications are determined include—Automobile, Steel Furniture, Full Finished, Full Pickled, Single Pickled, Black, Blue Annealed, and Copper Bearing.

THE NEWTON STEEL CO., YOUNGSTOWN, OHIO
 Detroit Cleveland Chicago New York Indianapolis
 PLANTS AT NEWTON FALLS, OHIO AND MONROE, MICHIGAN

NEWSTEEL 
 SAVE WITH STEEL THE ENGINEERED STEEL SHEET

When writing to THE NEWTON STEEL CO., please mention Nation's Business

Where America Cannot Excel

(Continued from page 28)

win the market of the high quality, but it is as unlikely that any other country may prove able to compete with the United States in the market of high standardization. Refined mechanical equipments, made on order, will probably continue to be made in Europe, but standardized machinery keeps every chance to be done cheaper in the New World, because of the immense advantage of quantity produced.

America wins best at the intersection of quantity and standardized quality. Therein lies her authentic field of action.

Following America's lead

SINCE Europe, after a careful study, realizes the reasons of this remarkable achievement, she naturally endeavors to follow the example. She has ancient and glorious industrial traditions, and after all, American methods are the direct offspring of her own principles. As to the technical value of her staff of workers, she feels no sense of inferiority whatever.

What is lacking, in her case, is the large unbroken market of consumers on the spot. As every one knows economic, social and political barriers stand everywhere in the Old World and it is unlikely that they may soon or will ever be totally removed.

True, industrial cartels can, to a certain extent, artificially create the equivalent of large free areas where mass production could be practiced, but even then endless diplomatic efforts are needed simply to reach, as a painfully attained end, the point where America starts.

It is then a sound assumption that the United States will, for a long time, if not forever, keep the privilege of a real mass production, in the full sense of the term.

And yet, even on the ground of quantity, Europe is not without her own advantages. Standardization offers tested methods which can be successfully adopted even in smaller limits than a whole continent. In fact, elaborate modern machinery, with perfect scientific management, is now working successfully in many European countries as well as in America. In several branches of industry the old country's equipment is as perfect, and the skill of labor not



Quantity is essentially the guiding spirit in American production

less than that which prevails on the other side of the ocean.

Then comes, as a factor of determinative importance, the decidedly cheaper wage, thanks to which Europe would, in many cases, invade the American market if a high tariff wall did not prevent it.

New England, to give an instance, complains that the mechanized Czechoslovakian factories hopelessly undersell certain kinds of American boots. Ford tractors are said to be produced cheaper in Europe than they could be on the other side.

Why? Because of the lower wages. If that frequently heard rumor were true, the whole Fordian argument concerning high wages would, except in certain definite circumstances, be difficult to maintain.

The danger in the outlook

A LARGE possibility of industrial development thus opens itself before Europe. She can and probably will be mechanized and industrially modernized on the model of America. Unfortunately the prospect is not without danger, because there is a temptation of borrowing technical progress without adopting at the same time the full social gospel of the United States. Mass standardized production is after all possible without high wages. Just as China or India competes with Europe in certain lines because of underpaid

labor, Europe might also, in her way, underlive America.

Europe started the modern industrial revolution, but has left to America the task of developing its faraway consequences. And now it is through the United States that we are rejuvenated economically. Yet, while adopting American methods, we cannot fail to see that the conditions of the new continent will not and cannot be brought to the old one.

"Quantity" would hurt Europe

WE RISK a cheap Americanization, in which the social advantages of America will be lacking. Quantity does not correspond to our genius. Our traditional civilization is doomed if quantity becomes tomorrow the world's chief consideration.

America, on the contrary, is a young civilization, where immense natural facilities are taken for granted although they really constitute an exceptional privilege.

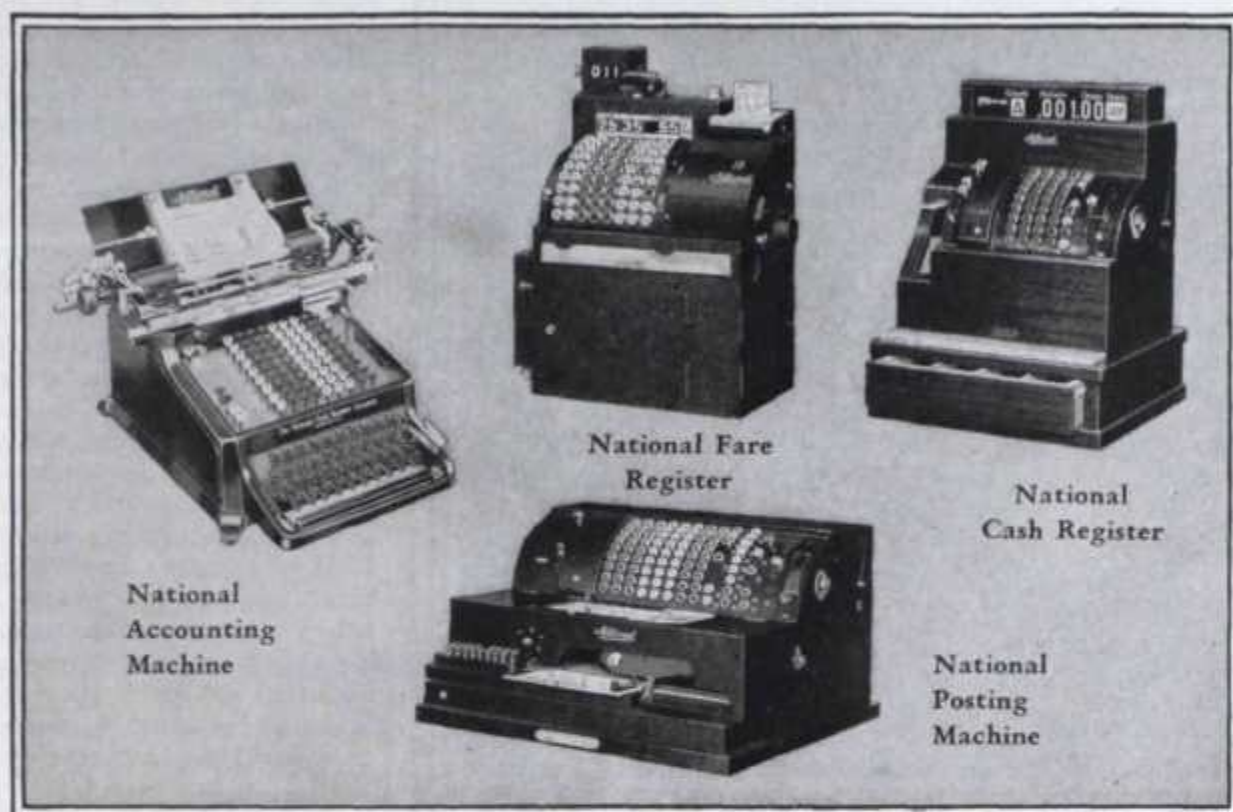
Quantity is the rule of such a society, which remains quantitative at the very moment when it realizes remarkable progress in quality. It is doubtful whether quality, as such, can ever spring out of quantity.

The conditions required for success in the modern world perfectly express themselves in the genius of America and that is why this age undoubtedly is the American age.



Scientific management and mass production make cheap goods possible

Every Kind of Business in the World is Profiting Through the Use of National Cash Register Products



Today the field for National Cash Register products is as broad as business itself. It extends from the neighborhood store to the financial institution . . . from filling station to bus line . . . from hotel to department store.

Everywhere, National Cash Register products are used for exactly the same reasons . . . because they mean economy, protection and improved service.

To the department store that means more sales with fewer salespeople, reduction in auditing, better service to customers.

To the neighborhood store it means stopping losses, increasing sales, knowing which departments are profitable, which are not, having complete business control.

To the bank it means absolute protection of records, elimination of misunderstandings and losses of handwritten figures, assurance that records are correct.

To the bus line it means complete control of every fare, stopping of over-riding, saving in audit, increased receipts.

To the installment house it means improved collections, no more disputes over records, definite saving in office help.

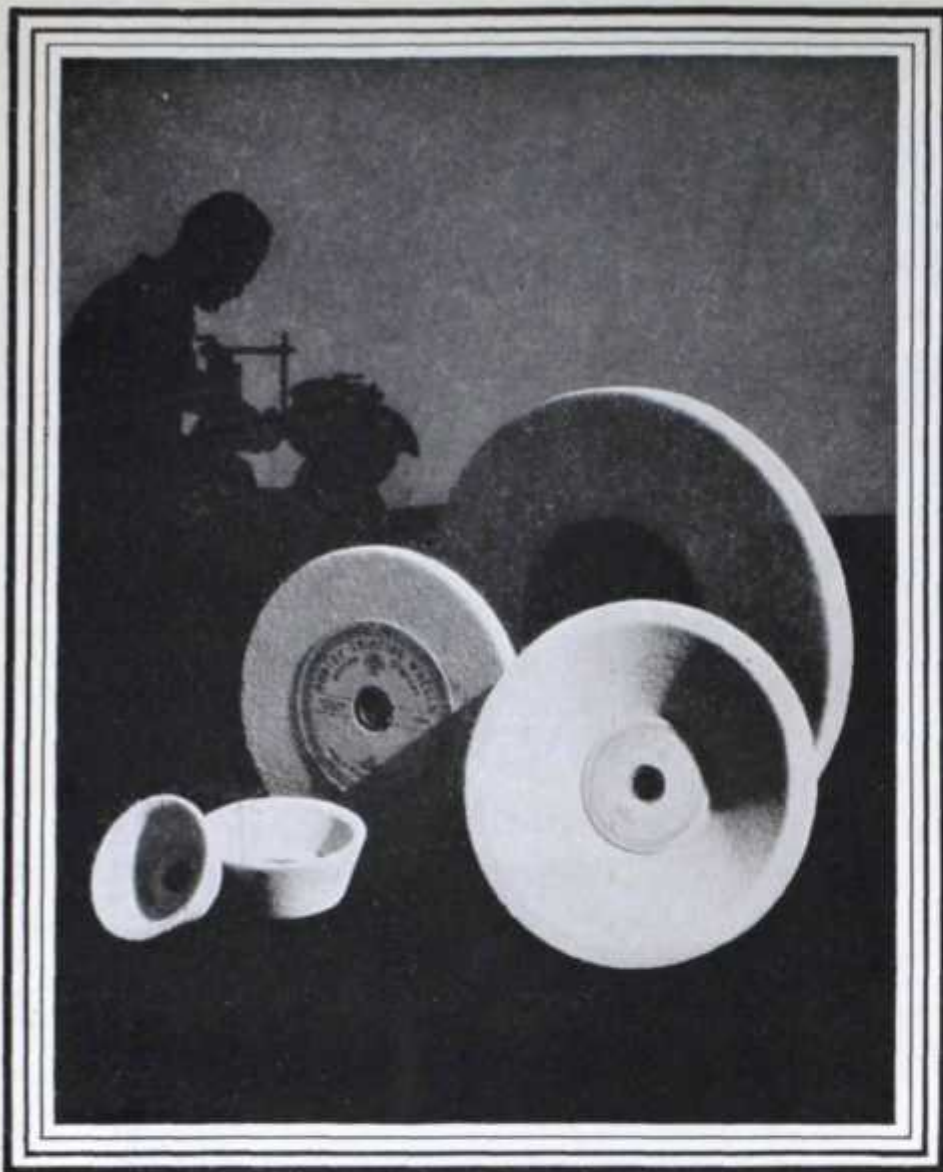
Throughout all business results are the same. The work to be done is totally different . . . the machines to be used vary greatly. But always Economy, Protection, and Service are the results desired and gained with National Cash Register products wherever they are used.

THE NATIONAL CASH REGISTER COMPANY

World's Outstanding Producer of Accounting Machines and Cash Registers

DAYTON, OHIO

When calling the local NATIONAL CASH REGISTER COMPANY representative please mention Nation's Business



"This is an actual photograph." Those five words under an illustration inspire more confidence than five volumes of adjectives. Use this phrase in all your advertising—it pays!

PHOTOGRAPHS WIN RESPECT

EVEN the most prosaic of products acquires an added appeal when deftly photographed. Yet such a photograph loses none of its realism, its power to inspire confidence. A drawing may be doubted or discounted. A photograph wins respect. No matter what or where you sell, you can sell *more* with the cooperation of the camera. Call in a commercial photographer to help you capitalize on this universal faith in photographs.



Two booklets worth reading! "How to Use PHOTOGRAPHS IN YOUR BUSINESS"—and "THE 4000-MILE LENS" describing how to get distant photographs by wire through our unique service. For a free copy of both booklets, address Photographers' Association of America, 2258 Euclid Avenue, Cleveland, Ohio.



PHOTOGRAPHS
tell the Truth

When writing to PHOTOGRAPHERS' ASSOCIATION OF AMERICA please mention Nation's Business

Mr. Hoover's Business Mind

(Continued from page 30)

their course without human interference.

Though an engineer by training, Mr. Hoover does not look upon business as a mere regimentation of machinery. He regards it as a human adventure and knows that business men operate in accordance with the laws of psychology, in which sentiment and feeling play a large part. Accordingly he senses a need in times of recession for keeping up the public morale just as national leaders build up the morale of soldiers and civilians in war time. Propaganda he doubtless feels, has its tonic effect in peace as well as in war. But he believes that words can be useful only when they direct popular attention along useful and sound channels.

Mr. Hoover, the realist, is skeptical of artificial remedies. He has been careful to urge business executives since the recession to stimulate only activities that could be soundly carried on during a period of economic transition. For example, he has stressed the need of keeping up permanent improvements, recognizing full well that it would be unwise to increase the output of goods for which there would be no consumer demand.

Believes conferences helped

THE President believes that the White House Conferences and the work of the Business Survey Conference have already borne fruit. He links the unprecedentedly large volume of public works and public utility, including railroad construction, with the presidential program for cooperation. Without such active cooperation, the President believes it unlikely that the utilities and railroads would have increased their programs.

He sees federal tax reduction, the drastic decline in interest rates, the truce between capital and labor, during which hourly wage rates have been maintained, the vast improvement in business sentiment and the pick-up in some lines of trade as other results of this cooperation.

Mr. Hoover's reservoir of business facts is supplemented by genius in applying them. He understands the fountains and springs which underly human motives in business. He knows that prosperity cannot be built on slogans or exhortations. He recognizes that nothing is gained by urging the unemployed

and the impecunious to buy radios and automobiles. Accordingly he has emphasized the need of stimulating sound activities such as home building which, by bringing idle men back to production, will increase purchasing power. Such quickening of small home building would be particularly timely now, he believes, because it requires more labor per dollar of expenditure than great engineering projects, such as bridge building.

Less need for home building

IF HE were a dictator and could apply the specialist's remedies more freely than he can in his present rôle as constitutional head of a government characterized by checks and balances, he would enormously quicken the construction of private homes at this time. He would also concentrate on labor consuming tasks such as renovating homes and factories, house painting and cleaning, the removal and replacement of obsolete machinery. He would have put through with all haste the appropriation bills for public buildings and public roads, over which there has been delay in the Senate. Such tardiness interferes with the program of using public works as a balance wheel for employment when business is quiet.

He would do no useless and unnecessary things merely to keep people busy but would time such inevitable operations which would be done sooner or later within the next 18 months to provide jobs when unemployment was abnormally high.

Keeps a close eye on events

RECOGNIZING that this is an age of business, the Chief Executive watches the details of the business cycle with hawk-like attention. He has an insatiable hunger for specific facts which show how the wind is blowing. In formulating policies he recognizes that statistics are not enough. He knows that the business man must act on surmise, too. Like other practical observers he has his hunches, which he later checks with actual data.

He feels, in regard to great agricultural products, that they cannot long sell below the cost of production. Wheat at the middle of March, he felt, was selling below the normal cost of production in all states except Kansas and Nebraska.

But watching, stimulating and guiding business is only one phase of the presidential activities. Though a genius at organization and firm believer in

Kemp Brings Efficiency to All Process Heating



You've Shackled Them Down to The Last Man

He Pleaded Before The Board

The engineer of a great corporation made an equally great discovery. Here they were, he found, with batteries of furnaces that should be kept at absolutely even temperatures, with daily peaks and lows in production, with quality, volume and cost all depending upon constantly correct temperatures. Yet each workman was forced to obtain his own gas and air mixture at the burner.

He carried this picture before his board.

"Can't you see," he told them, "these men are not engineers. They cannot be expected to solve an engineering problem every half hour.

If our workmen are not provided with a combustion system that mixes the correct proportion of air and gas at one central point and delivers it under the most suitable pressure through a single pipe to specially constructed burners you are limiting furnace production. Limiting it as surely as if you had shackled them to the last man. Furthermore, you are wasting gas through faulty mixtures and wasting the time they devote in attempting to get the right mixture.

There is a system that is as advanced and efficient as the rest of our plant. That will insure uniform quality and even temperature. That will reduce labor and production cost. That will save appreciably on the fuel bill. Give me authority to install the Kemp System and I'll improve on quality and cut costs".

Today anyone from the President down will tell you that in this plant, Kemp is one of their best investments.

The Improved Kemp Automatic Gas System



cash in with a Cashier



UARCO-CASHIER

"it files the original ticket"

Do you want real protection for your cash sales? You'll find it in the Uarco-Cashier. Here's why:

After the sales slip is written, a turn of the handle locks up and files the ORIGINAL ticket «» away from everyone except the person who holds the key. At the same instant the cash drawer opens and the carbon copies are issued.

No tampering «» no changing of records «» no lost tickets. That's protection.

There's protection for your clerks, too, because it removes temptation and places them above suspicion.

And then there are convenience and speed. No fussing with carbon paper every time a ticket is written. Just drop in a Uarco-Pack of forms, insert the carbon between the strips, close the cover «» and there's no carbon handling for 400 or more sets. Simple, isn't it «» and speedy?

Cash in on this protection. Mail the coupon for full information.

Along with this information, we'll gladly mail you a portfolio of forms used by others in your line of business. No cost or obligation.

UARCO

UNITED AUTOGRAPHIC REGISTER CO.
BUSINESS SYSTEMS

Factories:

Chicago, Cleveland, Cincinnati, and Oakland

Branch Offices in All Principal Cities

send this coupon for

Uarco, 2316 W. 43rd Street, Chicago, Illinois
Without obligation, tell me all about the Uarco-Cashier and send me the portfolio of forms.

My Name _____
Firm _____
Street Address _____
City and State _____
Lines of Business _____

NE-B2

portfolio of business forms

the delegation of tasks to others, the President has found that it takes 12 hours a day to perform his official duties. He has been sitting at his desk a full day on Saturday as on weekdays. He has been eager to clear himself of unproductive burdens so that he would be free for creative work.

For example, he has dispensed with the barbaric custom of shaking hands with all citizens who visit the White House and greets only those who are personally presented to him by Representatives or Senators.

Of powerful physique

THE President brings to his work a physically powerful body. He is tall and thickset. The public thinks of Herbert C. Hoover as an eminently practical man yet, at times his big blue eyes are wistful as he stares into the figurative crystal ball seeking to read the long-term future. There is a mental agility and grace in Mr. Hoover, who is an extremely sensitive man.

His troubles with Congress spring from the fact that he is essentially unpolitical minded. His approach is, "What are the facts? What would be best for the country?"

Mr. Hoover is lacking in the spirit of dogmatism. Accordingly, he has a predilection for fact-determining commissions. To him, prohibition is a noble experiment. The Farm Board is an economic experiment.

A straight-thinking mind

IN HIS mental habits, Mr. Hoover has the gift of marked concentration. He can quickly set his mind on the right track and keep it there.

To his visitors he is gracious and courteous. He appreciates the other man's viewpoint. In private conversation, he is without cant or pretense. He speaks as a sincere human being making an honest attempt to find the light. He lacks the assurance of the less well informed man.

President Hoover believes that by early May business recovery, seasonable and otherwise, will have taken up the slack of cyclical unemployment.

That still leaves wide open the question of technological unemployment which results from the replacement of men by machinery. Mr. Hoover is open-minded about shortening the work day and week and favors intensive engineering studies of the advantages of doing so. He feels that the public in time will have to choose between more leisure and more goods.



WHAT'S AHEAD *for* BUSINESS?

CAN AMERICA hold the unprecedented business prosperity that has come to it during the past decade?

Will the threatening disturbance of the past few months halt the most amazing march toward universal prosperity that one nation has ever witnessed?

American business men have determined that the march must go on. Banded together under the seal of the Chamber of Commerce of the United States, 3,000 of the country's most prominent and active business leaders are meeting in Washington at the Eighteenth Annual Meeting of the National Chamber April 28 to May 1, to make plans for the next step forward.

They are preparing to fill in the gaps that have cracked open . . . working to overcome the handicaps that have been placed in the path of business prosperity. Out of their reports will come a summary of the problems that business must face in the next year . . . out of their meetings will come plans to meet any situations that the year may bring forth.

There are thousands of men who

will not be able to attend this business congress. For these men an Extra Edition of NATION'S BUSINESS containing the addresses, reports of round table conferences and the resolutions will be printed.

As a NATION'S BUSINESS subscriber, you will receive a free copy of the Extra Edition. But you doubtless have many business associates and friends who should know the results of this conference. You will also find it especially good medicine for the calamity howler and the man who is always fearful of tomorrow's happenings. You will find it valuable in helping to acquaint your employees with the activity of organized business. And if you are a trade association member you may want other members of your association to see their organization as this gathering of business men sees it.

Extra copies may be obtained at the cost of printing:

Single copy	10c
10 copies	\$ 1.00
100 copies	10.00
1000 copies	100.00

All postage prepaid.

ORDER *Your Extra Copies Today!*

To the United States Chamber of Commerce, Washington, D. C.

Please print _____ copies of the 1930 Extra Edition of NATION'S BUSINESS for me. You may send them when ready (about May 20) as indicated below.

☐ Mail them, prepaid, in bulk

☐ Mail them individually to the enclosed list

☐ Bill me later

☐ Full payment enclosed

NAME _____

ADDRESS _____

We will be glad to mail any number of copies ordered by you to your list of names and addresses . . . at no extra charge.

NEWS OF ORGANIZED BUSINESS

By WILLARD L. HAMMER

State Chambers Help Forestry

200 REPRESENTATIVES from industries interested in forests, federal and

state forest agencies, educational institutions, banks and commercial enterprises attended the Virginia Commercial Forestry Conference held at Richmond, February 11 and 12. This conference was held under the auspices of the Virginia State Chamber of Commerce and was participated in by the Chamber of Commerce of the United States.

Principal speakers at the conference were President William Butterworth, of the National Chamber and R. Y. Stuart, chief forester of the United States, who spoke on the responsibility of the Federal Government in the promotion of good forest practices.

Axel H. Oxholm, director of the National Committee on wood utilization of the Department of Commerce, said that Virginia is destined to regain its position as one of the principal forest-producing states of the Union if it gives proper attention to wood utilization and to marketing of wood products. He stated that climate and other conditions were excellent in Virginia for successful commercial reforestation.

More than one half of Virginia's area is in forest and is best suited to the production of timber. Forests of the state yield annually more than \$100,000,000 worth of products.

The conference urged that a soil survey be made as soon as possible; that activities in forest research be extended and encouraged by state appropriations; that the cooperative efforts of state and private fire prevention agencies be extended to cover the entire forest area of the state. It emphasized the important rôle of forests in developing wealth and general welfare and discussed means of replenishing Virginia's forests and making practical the growing of timber crops.

West Virginia also held a commercial forestry conference last December 4 and 5. "What Forests Mean to the Future of West Virginia" was the general subject of the meeting. William Butterworth, president of the Chamber of Commerce of the United States, was the

principal speaker. Governor Conley gave the address of welcome. The many addresses treated the forest subject thoroughly.

The West Virginia Conference was held under the auspices of the West Virginia General Forestry Committee with the assistance of the Chamber of Commerce of the United States.

A Chamber Helps Farm Boys

THE agricultural committee of the Chamber of Commerce of Hannibal, Mo., in order to show neighboring farmers what could be done with high-grade seed corn and good cultivation, distributed to 40 farm boys in the surrounding country enough seed corn to plant five acres each. The Chamber then offered cash prizes to the ten boys who produced the greatest number of bushels from the five acres at the least expense.

Each boy was required to keep an accurate record of all work done and the cost of labor, and to write a full report of his project.

The boy who won first prize averaged 99.88 bushels per acre. His cost was

\$80.40, leaving a profit for the five acres of \$343.50. The average yield for the entire 40 contestants was about 60 bushels per acre. Twenty-five to 30 bushels had been the average yield per acre in that section.

The contest was considered such a success that it will be repeated this year over a wider territory.

Good-will Trade Tours

INTERNATIONAL good will as a factor in trade building continues to get the support of the business men of the United States and neighboring countries.

The Canadian communities of Hamilton, Niagara and St. Catharines, as represented by some 120 of their citizens, made a good-will tour of the Middle West, visiting a number of cities from Detroit to New Orleans. Their tour was made February 28 to March 7.

Shortly after, from March 15 to 23, the Atlanta Chamber of Commerce, the Atlanta Foreign Trade Club, and the Atlanta District Office of the Department of Commerce sponsored a good-

Where Business Will Meet in May

(From information available April 1)

1-2	American Institute of Refrigeration	Washington	Hotel Washington
3-5	Scientific Apparatus Makers of America	Atlantic City	John Marshall Hotel
5-6	Association of Fire Insurance General Agents	Richmond, Va.	French Lick Springs Hotel
2nd Week	National Association of Egg Case and Egg Case Filler Manufacturers	French Lick, Ind.	Hotel
8-10	North Carolina Bankers Association	Pinchurst, N. C.	Carolina Hotel
9-10	The Advertising Affiliation	Buffalo	Hotel Statler
12-13	Pacific States Paper Trade Association	Del Monte, Calif.	Del Monte Hotel
12-14	National Pipe and Supplies Association	Pinchurst, N. C.	
12-16	National Association of Credit Men	Dallas	Baker Hotel
12-17	American Foundrymen's Association	Cleveland	
13-15	American Wholesale Grocers Association	Atlanta	Biltmore Hotel
13-15	Southeastern Retail Hardware & Implement Association	Atlanta	
14	National Association of Manufacturers of Heating and Cooking Appliances	New York	Hotel Astor
14-15	American Association of Advertising Agencies	Washington	Mayflower Hotel
17	Nat'l Association of Woolen & Worsted Overseers	Providence, R. I.	Narragansett Hotel
19	National Leather & Shoe Finders Association	Memphis	Hotel Peabody
19-21	New England Coal Dealers Association	Suomscott, Mass.	New Ocean House
19-21	International Association of Blue Print Allied Industries	St. Louis	Hotel Statler
19-22	American Booksellers Association	New York	Hotel Pennsylvania
20-23	Biscuit & Cracker Manufacturers' Association	Chicago	Hotel Sherman
21-23	National Foreign Trade Council	Los Angeles	
22-24	American Feed Manufacturers Association	French Lick, Ind.	French Lick Springs Hotel
22-24	National Safe Deposit Advisory Council and Convention	Boston	Copley Plaza
26-27	National Federated Flour Clubs	Chicago	Edgewater Beach Hotel
26-29	Automotive Engine Rebuilders' Association	Chicago	
26-31	National Electrical Wholesalers Association	Hot Springs, Va.	The Homestead
29	Rice Millers' Association	Houston, Tex.	



When Success depended on Speed, the early Robin got the contract!



A big industrial piping project near Detroit . . . bids closing in a few hours. Engineers and estimators in Boston working overtime . . . at top speed . . . for the bid was being prepared on short notice.

Neither by train nor auto could it be delivered within hours of the time limit set. But the R. H. Baker Supply Company had at hand an instant and reliable means of transportation . . . their Curtiss Robin.

There was more to the Baker bid than just price and materials. Here was an organization so progressive that they made the swiftest of all modern transportation serve them. To the customers this presaged up-to-the-minute service and close cooperation. With their Robin, the R. H. Baker Supply Company won that contract against all competitors.

In many ways does this Robin serve its owners. It has carried Mr. Baker and his associates more than 25,000 miles in three months. It has narrowed a week's inspection of installations to three days. It has delivered important repair parts and materials—sometimes 500 lbs. in weight—to manufacturing plants that were losing \$1000 an hour through forced shutdown.



President R. H. Baker, and Salesman-Pilot Herbert S. Oberling, place a premium on time—and fly.

The Robin is particularly adapted to private and corporation use. It makes old schedules of time and mileage obsolete. It puts Boston within two hours of New York—Los Angeles only four hours distant from San Francisco. Its speed sets new and greater profit standards for sales and supervision, delivery and travel.

Powerful engines, sturdy construction, inherent stability and traveling comfort are combined in the Curtiss Robin to make business necessity an actual pleasure. The Robin is avail-

able in three or four passenger capacities. It is powered, at your option, with engines of from 80 to 180 h. p., permitting cruising speeds of 85 to 100 m. p. h., and a range of from 440 to 550 miles.

A card or letter will bring you full details about the Curtiss Robin, its first cost, operating and maintenance costs. Also the name and address of the nearest Curtiss-Wright dealer, where you can see the Robin, ride in it, and convince yourself of the part it will play in increasing the profits of your business. Write Dept. R-8.



CURTISS-ROBERTSON AIRPLANE MFG. CO.
Division of CURTISS-WRIGHT
27 West 57th Street • New York City

CURTISS ROBIN

For Business

Pleasure

Training



It's come... the MIRACLE of another GREAT OCEAN

A THRILLING new "arrangement" of half the earth's water surface! The old, veiled Far East turned into the new, glamorous Near West!

It brings Hawaii within the realm of casual trips...Yokohama within 10 days sail of Vancouver and Victoria... Shanghai... that gay metropolitan portal to China, a mere 3-day cruise-luxury beyond... Manila, the exotic South Seas, closer than travel minds ever dreamed.

NEW EMPRESS OF JAPAN ●

Thrilling as the miracle itself are its giantesses... the four great white Empress ships of Canadian Pacific... largest and fastest vessels to the Orient... Empress of Canada, Empress of Russia, Empress of Asia and this year, a new, mammoth resort-on-keel... Empress of Japan, 26,000 gross tons, 21 knots speed... all the famous white Empress luxuries more pronounced than ever. Sports deck, swimming pool, cafes, imperial ballroom, period lounges, exquisite suites-with-bath.

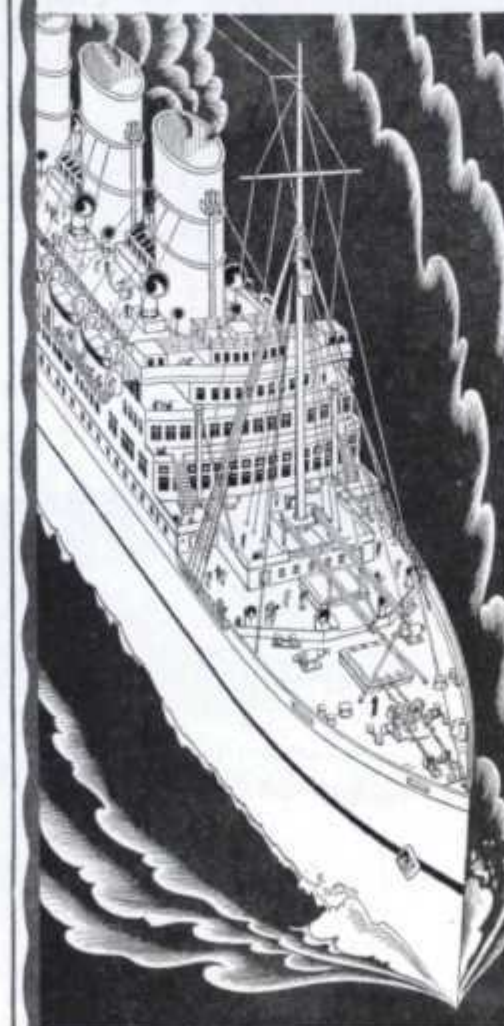
Second-cabin of equally superior appointments. Both with that congenial, do-as-you-please, international atmosphere which makes for the pleasantest crossing.

TWO ROUTES ●

Take the paradise route via Hawaii. Or dash straight across to Yokohama via the express route. Ask for booklets telling about the new, simplified way of touring the Orient. Information, reservation and freight inquiries from your own agent or any Canadian Pacific office: New York, Chicago, Montreal and 30 other cities in the U.S. and Canada.



A Far East love song calls...



... suddenly you hear it,
via the giant new Empress of Japan.

TO THE

Canadian ORIENT Pacific

WORLD'S GREATEST TRAVEL SYSTEM

When writing to any CANADIAN PACIFIC office please mention Nation's Business

will tour to Cuba on the occasion of the Central American International Olympic Games.

Arbitration in London

THE American Chamber of Commerce in London has established a Tribunal of Arbitration to help settle commercial disputes arising between its members. The Tribunal is also open to nonmembers.

The Chamber has published two brochures, "Commercial Arbitration," and "Rules of Procedure of the Tribunal of Arbitration," to further the cause of amicable settlement of disputes.

Collecting Members' Dues

THE Board of Trade of Sellersville, Pa., found a new way to collect its annual dues this year. Chief of Police Frank Hallman, better known as "Mike," was drafted into service. If the delinquent member did not pay up, a "summons" was issued.

Few members failed to pay their dues when the popular "cop" came around collecting.

Fire Prevention in Canada

THE CANADIAN Chamber of Commerce has undertaken to organize a national fire prevention campaign and competition, which it intends to promote through its member organizations throughout the Dominion.

One of the principal obstacles to be surmounted is the indifference of business men to the fiery giant which last year took 1,414 human lives and whose uncontrolled antics cost the Dominion \$40,000,000 in property loss alone.

The preliminary arrangements have been made. Leading newspapers throughout Canada have indorsed the plan. Organizations have pledged their assistance. Many boards of trade and chambers of commerce have already appointed committees.

Better Yard Contests

"HOW to keep 'em down on the farm" is being solved in part by farm yard-and-garden contests under the inspiration of the American Farm Bureau.

Rural homes surrounded by neat yards and beautiful gardens may not solve the farm problem, but nevertheless they help make contented farmers.

Farmers interested in such contests for their own counties have been asked by the Bureau to write to the Yard & Garden Contest Association, 111 East Third Street, Davenport, Iowa.

When Waste Paper Is Really Waste

WASTE paper has really become waste. For a long time it brought from \$3 to \$4 a ton in eastern markets. At the beginning of the year New York quotations began to slump, and by the end of February charges for carting this waste had superseded bids.

By this revision of the situation, paper that would have gone to the mills at a considerable revenue for building owners will be hauled at their expense to city dumps and burned.

A \$25,000,000 business

THE value of the waste-paper business in the borough of Manhattan alone has been estimated at \$25,000,000. Dealers say New York City yields half a billion tons of waste paper a year. By report of the *New York World*, a large office building, such as the Woolworth, has more than 40 tons of waste paper a month. This accumulation was regularly bought by dealers at the rate of \$3 a ton, baled—an annual income of about \$1,440 for the building management.

Many hotels were given flat rates of \$1,000 to \$2,000 a year by waste-paper dealers for the exclusive privilege of carting away their waste paper.

An indication of the slump in the market is drawn from the unwillingness of one firm to bid on the waste paper collected at the Post Office. This waste consists chiefly of undelivered periodicals and papers, and has been valued at \$1,000 a month. One firm wanted to charge the post office \$7 a ton for carting off the waste.

From push-cart to truck

THE waste-paper dealer gets his opportunity in the fact that the Department of Street Cleaning is not responsible for moving the large quantities of waste paper which daily accumulate in large office buildings and skyscraper hotels.

That the business has its magnates as well as its minions is revealed in the million-dollar concerns that have developed from push-cart proportions. Nowadays, motor trucks, with ten-ton capacities, make light of the big town's cast-off reading matter.—R. C. W.

1. Money Received on Account
2. Time and Labor Records
3. Making Change Records
4. Employee Suggestions
5. Repair Work Orders
6. Receiving Records
7. Express Receipts
8. Shipping Orders
9. Packing Lists
10. Parcel Post

11. Requisition on Stock Room
12. Sub-Production Orders
13. Billing and Shipping
14. Stock Room Records
15. Production Orders
16. Bills of Lading
17. Stock Records
18. Requisitions
19. Back Orders
20. Delivery



21. Credits
22. Refunds
23. Invoices
24. Cash Sales
25. Charge Sales
26. Local Delivery
27. Motor Trucking
28. Money Paid Out
29. Purchase Orders
30. Billing and Order
31. Material Cost Records
32. Requisition on Purchasing Agent

HERE'S A MACHINE THAT LIGHTENS EFFORT AND PRO- DUCE PERFECT RECORDS

One rapid operation provides written orders for future operations and indisputable records for the files. Each record is complete and each identical in accuracy—and as many as you need. Simplify your business detail with the EGRY COM-PAK. We have a system specially designed for your business. It will be sent without cost.

THE
EGRY

REGISTER COMPANY
DAYTON, OHIO

SEND THIS COUPON IN TODAY

How do other businesses in my line simplify and speed up their routine? Send full information, without any obligation.

Name.....

Address.....

Business.....

When writing to THE EGRY REGISTER COMPANY please mention Nation's Business

SKIES PLANES MONEY

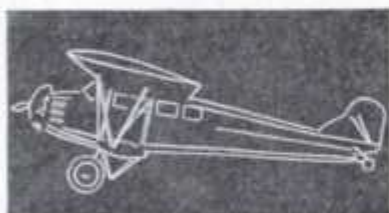
The ability to delegate responsibility through proper channels distinguishes the successful executive. He cannot err if he thinks of Buhl when he seeks the ideal plane to carry on his individual or corporate business up above.

• • •

We will gladly mail to any executive an interestingly illustrated brochure on "Business and Aviation."



The Buhl Senior Airsedan is an eight-place dual-control plane, priced at \$18,500 with the Wasp engine and \$19,500 with the Hornet or Cyclone.



The Buhl Standard Airsedan is a six-place, dual control plane, priced at \$13,500 with the J-6 Wright Whirlwind engine.



The Buhl Sport Airsedan is a three-place dual-control plane, priced at \$12,000 with J-6 Wright Whirlwind engine and \$11,000 with the J-5.

BUHL
AIRCRAFT CO.
MARYSVILLE, MICH.



When writing please mention Nation's Business

The Oldest Utility Regains Its Youth

(Continued from page 52)

previously unavailable will likewise become profitable consumers.

Nor is the interconnection movement confined to any one section or even to natural gas. A high-pressure line from Camden to Trenton to New Brunswick to the northern part of New Jersey is already operating.

A 200-mile line from Lea County, N. M., to El Paso, Tex., enabled the Texas Cities Gas Company to discard manufacturing equipment. The New York Power & Light Corporation is pushing its manufactured gas at high pressures from Troy to Schenectady and on to Amsterdam. The projected pipeline from the Texas Panhandle to Chicago brings the Texas Corporation, the Skelly Oil Company, the Phillips Petroleum Company, and the Columbian

a 421-mile line, is costing the Southern Natural Gas Corporation nearly 25 million dollars.

Instances innumerable could be quoted; the crux of the situation is that the gas industry is just beginning to wake up. In Germany the Ruhr Gas Company has some 430 miles of main, shooting manufactured gas to some 41 towns, with progress continuing rapidly, while the supergas movement is also developing in England under the leadership of Sir Alexander Walker in Birmingham. Remarkable strides are being made the world over. The progress, great as it is, however, is not confined to mere physical interconnection and transmission.

In merchandising, in new business and in advertising the gas utilities are building up the demand which will turn the supergas tie-ins now under con-



Through this 20-inch pipe-line natural gas will flow from the field to provide some community with cheap fuel

Carbon Company into a new combine, the Central States Natural Gas Company, which has pooled resources of 132,000 acres of natural-gas rights and wells.

Supergas is truly no feeble movement; millions of dollars are involved and the effect of this activity will be manifested in many equipment, machinery and construction businesses. Just one job, that which serves the Birmingham, Alabama, industrial district from the Louisiana fields through

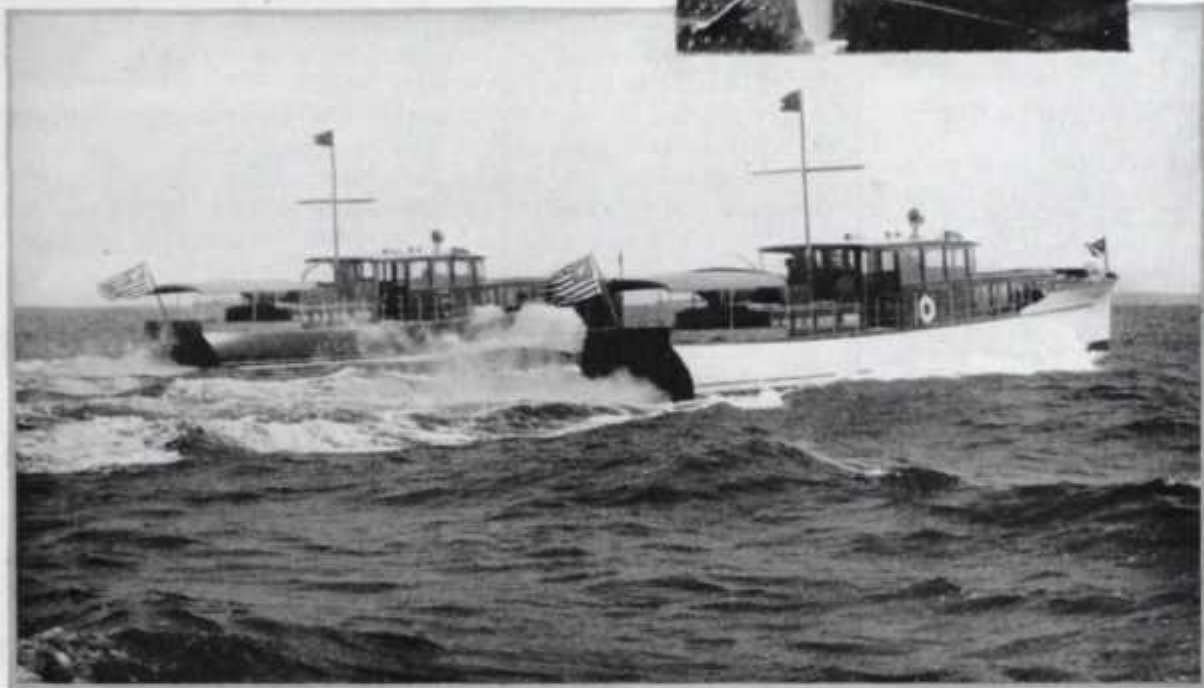
struction into real revenue producers. In the house-heating field the new sales technique is producing remarkable results. All gas companies show vast increases in consumption for this purpose.

Taking the country as a whole, the use of gas for heating showed a 50 per cent increase in 1929 while many states exceeded this figure. Connecticut showed a gain of 120 per cent, Michigan and New Jersey, 57 per cent and Wisconsin, 62 per cent.

The large New York and New Jersey

Goodrich invents a "RUBBER FIST"

... that helps keep craft of every type moving more smoothly at lower cost



Water lubricated Bearings of Soft Rubber help solve bearing renewal problem

TRIM cabin cruisers, cutting flashing wakes. Bustling harbor craft... tug boats, ferries. Serious-minded coast guard cutters... business-like freighters...

All of them move under the same shadow... the threat of recurring trouble and expense from bearing renewal.

Ordinarily, propeller shafts revolve in bearings of babbitt, bronze, *lignum-vitae* or similar material. Oil lubrication is difficult. Without adequate lubrication, rapid wear is unavoidable.



This is where Goodrich engineers entered the picture. They had discovered a certain compound of rubber that was amazingly resistant to abrasion.

So they designed a "rubber fist"... a bearing of this rubber to reach down from the hull and hold the spinning propeller shaft. Water lubricates it... water keeps it clean of grit and sand. It materially reduces vibration and under similar service conditions *outwears* bronze, babbitt metal, etc. many times to one.

But the principle of Cutless Bearings is too broad to be confined to

water craft alone. Goodrich engineers have applied it wherever bearing and sleeve wear is a problem and where water for lubrication is available.

Cutless Bearings represent but one of the many developments of the Goodrich Industrial Research Committee.

Executives are invited to address the Committee Chairman concerning industrial and mechanical problems where the application of rubber may provide an answer. Special research is gladly undertaken wherever practicable. Goodrich, Established 1870, Akron, Ohio.

CUTLESS BEARINGS

Another **B.F. Goodrich**  Product

32,000 rubber articles, representing more than a thousand distinct rubber products—Goodrich Silvertowns • Zippers • Rubber Footwear • Drug Sundries • Soles • Heels • Hose • Belting • Packing • Molded Goods.

When writing to B. F. GOODRICH TIRE & RUBBER CO. please mention Nation's Business



Nearly three-quarters of a century ago—

NEARLY three-quarters of a century ago public officials started to use Byron Weston Co. Linen Record to record and preserve important public documents. This paper has served its purpose so well that today the majority of public records are recorded on

BYRON WESTON CO. LINEN RECORD

When you specify Byron Weston Co. Linen Record you assure permanence, insure economy and protect your records against the ravages of time. Insist upon it because there is nothing quite so good.

Write for samples of Byron Weston Co. Linen Record and other Weston Papers

WAVERLY LEDGER is used where **QUALITY AND COST ARE FACTORS**
Blank Books Ruled Forms Pass Books Drafts Stationery Legal Blanks Diplomas

CENTENNIAL LEDGER is used where a **GENERAL UTILITY PAPER** is required
Ruled Forms Broad-sides Accounting Forms Stationery Pass Books Legal Blanks

FLEXY LEDGER is used where a **FLAT LYING LOOSE LEAF** sheet is desired
For High Grade Loose Leaf Ledger Sheets and Special Ruled Forms

TYPACOUNT LEDGER is used where **quality and permanence are required in Machine Posting Forms**

WESTON'S MACHINE POSTING LEDGER

a grade below Typacount—But Made to the Same Exacting WESTON Standard

DEFIANCE BOND is used where a **quality bond OF HIGHEST CHARACTER** counts
Stationery Policies Contracts Trust Deeds Stock and Bond Certificates Ring Book Sheets

If you are not familiar with the complete Weston line, please send for samples.

BYRON WESTON COMPANY

A family of paper makers for nearly three-quarters of a century

Leaders in Ledger Papers

DALTON, MASS., U. S. A.

companies of the metropolitan district install several hundred house-heating units annually while one subsidiary of the Cities Service Company reports more than 11,000 central heating installations completed in the past year.

In the Middle West even more remarkable showings are evident, due to the advantage of cheap natural gas as an inducement. Kansas City alone sold some 5,000 new jobs last year.

Refrigeration is similarly on the upgrade and is particularly valuable in that it is a 24-hour, 365-day-a-year load, and thus puts a minimum of strain on producing and distribution facilities. In 1929 some 22,000 gas refrigerators were sold by the Consolidated Gas Company of New York. In the past summer the gas utilities all over the country added thousands of these units to their lines and while in no case does the revenue amount to very much, it normally converts a nonprofitable consumer into a paying one.

Testing gas appliances

AN IMPORTANT factor in the growth of the gas industry is the American Gas Association's Testing Laboratory, in Cleveland. From its beginning in 1925, it has successfully directed the program of investigating and testing the safety and efficiency of thousands of gas-using appliances.

All research, however, is not confined to the laboratory. It extends to the field where many committees of the industry working under a five-year program are carrying on technical studies looking toward improved methods of production, transmission and distribution.

These activities, which are also under the direction of the American Gas Association, have resulted in notable accomplishments in extending and enlarging the uses of gas in industry, and the home, stimulating important and fundamental scientific research that will eventually open entirely new fields for the application of gas.

As research laboratories, such as that of the American Gas Association in Cleveland, perfect new industrial uses for gas, the revenues from this branch of the business show decided increases.

When our natural gas resources are depleted—a date constantly being advanced as tremendous new supplies are discovered—this research will have made ready a new manufacturing technique vastly superior and more economical than the present one.

As thousands of miles of pipe have gone underground the engineers have achieved startling economies in produc-

tion costs and the trend of base prices for manufactured gas has been steadily downward.

The cost of gas to the consumer has been steadily downward, although not so marked, and this has largely been responsible for the generally increased consumption.

Latest available figures of the American Gas Association, as this is written, those for November, 1929, show an 11 per cent increase in gas sales over the same month in 1928 for 97 companies representing 80 per cent of the industry. In 1928, the combined revenues of the manufactured and natural gas industry aggregated 875 million dollars, an increase of nearly eight per cent over 1927.

At the close of 1929, the combined revenues of the industry mounted to 950 million dollars, a gain of almost nine per cent, while a gain aggregating 1,500,000 customers has been made in this same two-year period, bringing the total number of customers served at the beginning of 1930 to upwards of 17 million to whose service an investment of \$4,750,000,000 is required.

Ultra-modern methods of natural-gas prospecting are unearthing hitherto unsuspected sources of supply. Expert geologists have found many rich wells in the Bradford, Pa., region, and in other regions generally considered depleted modern science is finding and modern engineering is conserving large future sources of gas supply.

In some instances it has been found economical to junk small existing plants; in other cases these will be held as standby sources of supply awaiting emergency calls in severe winter peaks when natural-gas supply often is inadequate.

Regardless of which mode is followed, the evolution of well-defined systems will react in favor of both consumer and investor, lowering prices and increasing reliability of supply.

Detroit Looks Abroad

DURING 1929 the Michigan district exported goods to the value of \$342,645,582, recently compiled statistics show. This represents an increase of 4.4 per cent over the 1928 exports, and puts Detroit in fourth place as an export city.

Only New York, Galveston and New Orleans exceed Detroit, in the order named. A difference of only \$42,000,000 stands between the last-named city and Detroit.—J. L. C.

An Answer to Mr. Brunner

By J. E. WITHERS

Business Manager, South Bend
Society of Engineers, Inc.

A RECENT article in NATION'S BUSINESS, entitled, "Construction Bargains Are Expensive," related how a general contractor obtained a contract to erect an industrial plant on a low bid of \$500,000 but, when asked to duplicate the plant under identical conditions for the same company, reluctantly revealed that he had lost \$40,000 on the job.

However, his representative showed the owner his records on the first job, explained that the contractor, whose name was Robinson, had anticipated that the owner would do some more building and so was willing to take the first job at a \$40,000 loss to get in on the ground floor for any future building.

It seems that Robinson had given the owner a good job, which is not unusual in construction work, especially since the architects, engineers and owner's representatives are on hand to see that the owner *does* get a good job. At any rate, the representative must have been a most aggressive and successful salesman. He sold the owner on the idea of giving Robinson the second job on a cost plus basis, the minimum cost estimated as \$550,000, without competition.

Truth is stranger than fiction and anything can happen, but a great many contractors will read that article and weep.

Why Wait So Long?

I HAVE no desire to engage in any controversy about the matter. If a general contractor wishes to donate \$40,000 to a customer, it is his financial and mental hazard, not mine. I will even concede that there is such a thing as a contractor receiving a preference over a lower bidder.

Preference is usually given on competitive work because the contractor has a reputation for efficient work, because he is equipped to carry the work along without delaying the other crafts on the job, because he is financially equipped to complete the job.

There is also such a thing as salesmanship in the construction industry. This explains why jobs are sometimes

The Silver King Series on Famous Golf Holes No. 1

The 15th at Oakmont as played by Archie Compston



"I give the palm to the 15th at Oakmont,"* says Archie Compston. "It's the hardest hole I've ever played, but it is laid out and bunkered with such subtlety that playing it is a real pleasure."

"The ground rises slightly from the tee, so it takes a pretty good drive to carry trap (A). As the map shows, there's a bit of a slope to the right and trap (B) will catch an off-line tee shot. I play for a light pull which will bring my drive to (2), an ideal position. Using a No. 2 iron for my second, I try to hug the bunkers (C), on the left of the fairway. There's a slight swell at (D) and if my approach comes off all right the ball will roll down onto the green—leaving two putts for a hard-earned, par 4—the hardest I've met in a lifetime of play."

*Oakmont, C. C. at Pittsburgh, scene of the National Open in 1927. Length of hole—475 yards, par 4.

Archie Compston plays the
SILVER KING
THE WORLD'S FINEST GOLF BALL

John Wanamaker New York, Sole United States Distributors for The Silvertown Co., London

Free light!



DO YOU WANT MORE LIGHT
WITHOUT ADDITIONAL EXPENSE?

OR DO YOU WANT TO PAY LESS
FOR YOUR PRESENT ILLUMINATION?



Painting the Glenn Holmes 10-story garage, Chicago, with Sunflex. Note how Sunflex on concrete post stands out. Mr. Holmes writes, "Sunflex covered the brick and concrete surface with one coat . . . is apparently as white as when applied . . . We give Sunflex credit for the bright, cheerful atmosphere."

THESE are not "catch questions" designed to intrigue your interest. We ask them seriously. Which do you want? Your answer will show you how and where Sunflex can save money in your plant.

Better light means better vision and more efficient production. To the best of our knowledge, Sunflex has the highest light reflection value of any paint—over 90% for a single coat. The Sunflex-painted plant is flooded with clear, diffused light, without glare. With the same sources of illumination you now use, Sunflex brings better working-conditions, fewer seconds, and lowers manufacturing costs all along the line.

In case more light is no advantage, Sunflex makes it possible to maintain present illumination at lower cost. Warehouses, garages, and storerooms painted with Sunflex report savings as high as 30% in monthly lighting bills.

Sunflex is not only the whitest paint at the start, but it *stays* white. It can never turn yellow. Its whiteness is

unaffected by exposure to light, heat, moisture, and even most acid fumes.

Another unique feature is that Sunflex can be applied directly over green concrete. When you build that new plant or addition, plan to use Sunflex and open on time with a cheerful, finished interior. One coat should be enough—Sunflex is so opaque that it saves a coat of paint on most jobs.

Have your Maintenance Department investigate Sunflex and you'll see why more and more industrial plants are using this "miracle paint" for better and cheaper lighting. We will be glad to send material for demonstration—use coupon for convenience.

Ask Your Secretary to Mail This Coupon



CRAFTEX COMPANY
33 Antwerp St., Brighton Sta.
Boston, Mass. 25

I would like to put Sunflex
through its paces. Please send
enough for a workout.

Name

Address

CRAFTEX COMPANY

33 ANTWERP STREET
BRIGHTON STATION, BOSTON
NEW YORK CHICAGO

Made by the makers of
Craftex, the original
texture wall finish. Craftex
walls will add distinction
and new beauty to
your showrooms and offices.
Look for this trademark—it is on every bag
of genuine Craftex.



REG. U. S. PAT. O.

SUNFLEX

THE MIRACLE PAINT

When writing to CRAFTEX COMPANY please mention *Nation's Business*

let to contractors who are not the low bidders but who sell the owner on superior and satisfactory service.

It would seem, from the fact that the owner of the two industrial plants gave Robinson the second plant at a price which assured a small profit, that Robinson might have sold him the first job also at a profit had he sent his representative to the owner.

Who Lost the Money?

ASIDE from a wrong guess on labor, or a condition covered in most contracts as "Acts of Providence," Robinson *knew* before he bid on the first job that he was going to lose money. He had his subcontractors' bids, his estimates and his overhead. He could have taken these to the owner and showed him that he was losing money. However, he wouldn't do this because he knew the owner would either take him for a fool or a prevaricator.

But—did Robinson really lose \$40,000? I doubt it. Before submitting his bid, he obtained estimates from several contractors in each subcontractor group. He selected the figures of the subcontractors he wished to use and incorporated them in his \$500,000 bid. Upon this figure he obtained the general contract. Then, as often happens in the construction industry, he probably started out to get lower bids from these subcontractors. When he checked up the result of his day's efforts, he probably found that the subcontractors, in meeting one another's figures, or trying to get in on the ground floor, as Robinson was, had donated him several thousand dollars.

For the opportunity of getting in on the ground floor, Robinson spent \$40,000 of his own or his creditors' money, established a low level for figuring subsequent work that his competitors, and even he, himself, will find it difficult to raise to include a fair profit in the future. He has caused other interests in the construction industry as well as other owners who may have had buildings erected in the same period and under the same conditions to wonder why their buildings cost almost ten per cent more.

He has given grounds for the belief "that the construction industry is a huge, iniquitous ring, which will grasp the advantage, no matter how shrewd the prospective owner may be."

Robinson, himself, or his representative, admitted to the owner, that Robinson realized he could not get the contract for the first plant except on a low price basis.

Perhaps I may appear to be more

The president sees a practical demonstration of endurance

"This 1918 carbon copy proves that we were wise when we selected Hammermill Bond for all our office stationery years ago."

"Yes, sir, and every other Hammermill Bond sheet in our files looks just as fresh and neat as if it had been put there yesterday."



Not alone because of its surface, its availability, its uniformity, its range of colors, its moderate price, is Hammermill Bond the standard bond paper.

It's for *all* these reasons, plus the fact that its quality endures through the years—keeping your records neat, fresh, intact.

Your purchasing agent probably specifies this paper now—and very wisely, too!

HAMMERMILL BOND

LOOK FOR THE WATERMARK
It is our word of honor to the public

FOR EXECUTIVES:

HAMMERMILL PAPER CO., ERIE, PA.

Gentlemen: Please send me the Working Kit of Hammermill Bond that is filled with specimen letterheads, samples of the paper in all its colors, a sheet of ten-year-old Hammermill Bond, information and diagrams to help design forms, letterheads, envelopes to match. (Free to business executives anywhere in the United States. Outside of U. S. A. 50c.)

Name

Position

Attach this coupon to your business letterhead



men who know the value of relaxation choose Wardman Park

● This afternoon along the bridle paths of Rock Creek Park on mounts from the Wardman Park Saddle Club, or playing a brisk set of tennis on Wardman Courts—and certainly dining this evening in the exquisite Gold Room at Wardman Park to strains of a famous orchestra will be men who must tomorrow make decisions that will affect the lives of millions. They choose Wardman Park for their Washington residence because here, within ten minutes of the center of the city, one may enjoy the relaxation and sports of a week-end in the country—in an environment distinctly metropolitan—naturally, to merit such distinguished patronage the service at Wardman Park must be deft, tactful, flawless. No matter whether your next trip to Washington is a matter of days or weeks—come to Wardman Park. Here you will find relaxation from the business cares of the day amid surroundings that are unique in their ability to make your Washington trip enjoyable. Incidentally too, Wardman Park, because of its complete facilities—more than eighteen hundred outside rooms—its many private dining and conference rooms—its own modern theatre and its nearness to all the important points of the world's most interesting city, offers an ideal place for the annual conferences of company executives or industry-group meetings. A special department for the planning of these is maintained by Wardman Park. A letter to the hotel will bring you full details.



WARDMAN PARK HOTEL

WASHINGTON, D. C.

Management
UNITED REALTIES, INC.
D. R. LANE, President
GEORGE E. ALLEN,
General Manager

interested in the welfare of this general contractor's competitors and subcontractors, than in the welfare of the owner.

When Robinson's representative told the owner that, "the Robinson Company lost \$40,000 on that first plant, it can't take that loss on another job now, although it would give almost anything to get this new plant," he also admitted that Robinson did this to set himself in for any future construction work. Why? So he could do this future work at a loss, or did he expect to make it back on the next jobs?

The owner's side of it

AS THE article sets forth, the honest and efficient men outnumber the dishonest ones. By taking bids on the second plant, this owner would no doubt have gotten as good a plant as the first one, built by some other reliable contractor, or one who also wished to get in on the ground floor, for \$500,000—perhaps less.

A general contractor in the business of erecting \$500,000 jobs, and equipped to do them *right*, will have any number of high class references and testimonials to his honesty, ability and ingenuity in buildings already erected and for \$50,000, the increase allowed Robinson on the second plant, any prospective builder can afford to make a fairly thorough investigation.

The first plant was let to the low bidder, Robinson. He was \$10,000 lower than the next low bid. Certainly if the cost was less than the architect's estimate and the general contractor "did the job well . . . took pains to see that the industrial firm's executives were constantly informed about the work and kept from all worry," then the first plant was most assuredly a bargain, which would seem to refute the statement in the article that "Construction Bargains Are Expensive."

As stated at the beginning of this article, the writer is not looking for argument. He is merely expressing his opinion that Robinson deserves no sympathy for losing \$40,000.

Certainly, this is not an argument in favor of "cutthroat" competition in the building or any other industry. It is only a feeble effort to call a spade a spade and a general contractor, or any other contractor a misguided philanthropist if he donates \$40,000 of his money to get in on the ground floor, or to take a job away from a competitor, or cause him to lose a job through refusal to meet such vicious and ignorant competition.

The B&O



You are very IMPORTANT to our Railroad



*Special-feature trains
East and West*

THE CAPITOL LIMITED
THE NATIONAL LIMITED

Real home atmosphere in the Observation and Club cars; dinner in the specially designed Colonial Diner; a competent maid at the service of women traveling with children. Ride and dine with us.

ONE SENTENCE occurs again and again in the letters that come to our offices every year:

"I was led to make my trip over your railroad at the suggestion of a friend."

This is not an accident. It is the result of a definite plan which was started several years ago.

At that time we said to ourselves, "What can we offer people as an inducement to travel with us?"

And we answered, "We can honestly try to give people a little more than they've paid for."

"Their ticket calls for a ride on our railroad. We are required to provide a locomotive, an engineer, conductors, porters, various pieces of railroad equipment, and dining-car service. That's what every railroad must provide. But let us try to give them an enjoyable trip; an engineer who is doing his very best to start and stop his

train without jolt, and a locomotive that will help him do it. Let us have tracks that are smooth, equipment that is modern and clean. Let us try to have conductors and porters who take pride in their work and who have a feeling of sympathy, kindness, and thoughtfulness toward travelers. And let us provide our passengers with meals that are really good."

People like to talk about railroads, and when they found out what we were trying to do they began talking to their friends. That's one of the reasons our business has grown.

So it's you, after all, who have helped to make our railroad more and more successful.

You on your front porch, and in your club and church, and wherever you meet your friends.

We appreciate it. When you ride with us, we'll endeavor to show you that we do.

BALTIMORE & OHIO



HERE'S a book that will help you with your record-keeping problems. Contains wide variety of life-size Bookkeeping forms, completely filled in, illustrating uses. For office or factory—business or profession—it shows you simplest and most efficient methods of accounting now being used by 300,000 leading firms. Book sent FREE when requested on business stationery. No obligation!

JOHN C. MOORE CORP., Est. 1839
6069 Stone Street, Rochester, N. Y.

Merely Fill in Coupon and 140-page Book Will be Sent you FREE

Name _____
Business _____
City _____ State _____



NO more slow hand-feeding of envelopes into an addressing machine one by one! — Get a demonstration of this wonderful new popular-priced addresser. — It automatically feeds envelopes into itself as fast as you can turn the crank.

**DOES A DAY'S WORK
IN 5 MINUTES**

Four times faster than other addressing machines of similar size and price.

For complete information and a FREE BOOK on Direct-Mail Advertising, pin this ad. to your business letterhead and mail to us.

ELLIOTT

ADDRESSING MACHINE CO.

144 Albany St., Cambridge, Mass.

BIRD'S-EYE VIEWS LARGE PERSPECTIVE DRAWINGS

An accurate and artistic view of your Plant or Properties drawn to make an attractive showing for your advertising. Illustrated folder sent on request.

Walter A. Weisner

332 S. MICHIGAN AVE. CHICAGO, ILL.

Keeping Our Salesmen Employed

By ROBERT F. MILLER

Executive Vice President, Associated Grocery Manufacturers of America

EXPERIENCE has shown our organization that the first threat of danger to the volume and profits of our members comes with the seeming necessity of laying off salesmen.

A good salesman is a creator of business. The man who sells \$100,000 worth of goods a year keeps as many factory wheels turning and as many workers employed as are required to produce that volume. He also increases the production of materials and in some measure determines the amount of an advertising appropriation. We do not know how many men are selling merchandise at wholesale in this country or how many are idle but from all we have learned about the subject, the unemployment of ten per cent of the total would probably mean that our industry was in serious condition and the same percentage of idleness among the salesmen of the entire country would justify alarm.

The cost of hiring a salesman

THE direct monetary loss to any industry due to the unemployment of its salesmen is well worth considering. Manufacturers in our field have said that it costs an average of \$500 simply to hire a good specialty salesman. Of course it costs several times this much to train a good man.

Obviously when these men or sales executives are idle the industry loses its return on the millions of dollars invested in their training. It sustains a greater loss when, because of unemployment, they drift into other industries.

Our investigations showed that salesmen frequently floundered around for months between jobs and drifted into other industries because no established point of contact existed within our industry between the man seeking employment and the manufacturer who required his services.

We took steps to prevent this loss and now regard our employment movement as the most important work in the history of our organization. The first of this year the Personnel Bureau of the Associated Grocery Manufacturers of America became operative as a com-

plete unit-organization devoted to keeping the salesmen of our industry employed.

The announcement of this service created something of a sensation. Many of our members were enthusiastic, and bankers, personnel directors of large companies, executives of other industries and economists came to our offices to gain information or to offer support.

The AGMA Personnel Bureau is now serving as an employment clearing house for salesmen and sales executives within the grocery industry and the work is not confined to our own group.

When we study present conditions we find that unemployment of salesmen in our own and other industries is not due to any material reduction of the country's buying power, but rather to mergers and consolidations and attempts to find less costly methods of selling. While the peculiarities of grocery manufacture and distribution make it impossible for all manufacturers to retain complete corps of salesmen at all times, some manufacturer is always seeking experienced men. Our sole purpose is to find the job for the man and the man for the job and to keep salesmen's unemployment down to the minimum.

During the first few weeks of our operation we were able to place about 25 capable men in satisfactory connections. From this experience and the progress already made we are sure that the financial saving to the industry will be enormous. Also we have noticed an improved morale among salesmen.

Quick action often possible

FREQUENTLY it is possible to place salesmen almost immediately. A number of good positions have been found at once for men who called at our bureau. A typical case occurred recently. The applicant outlined a good record from a rather extensive experience and by telephoning a manufacturer who had filed his requirements with us we were able to place the man in a job for which he was well fitted.

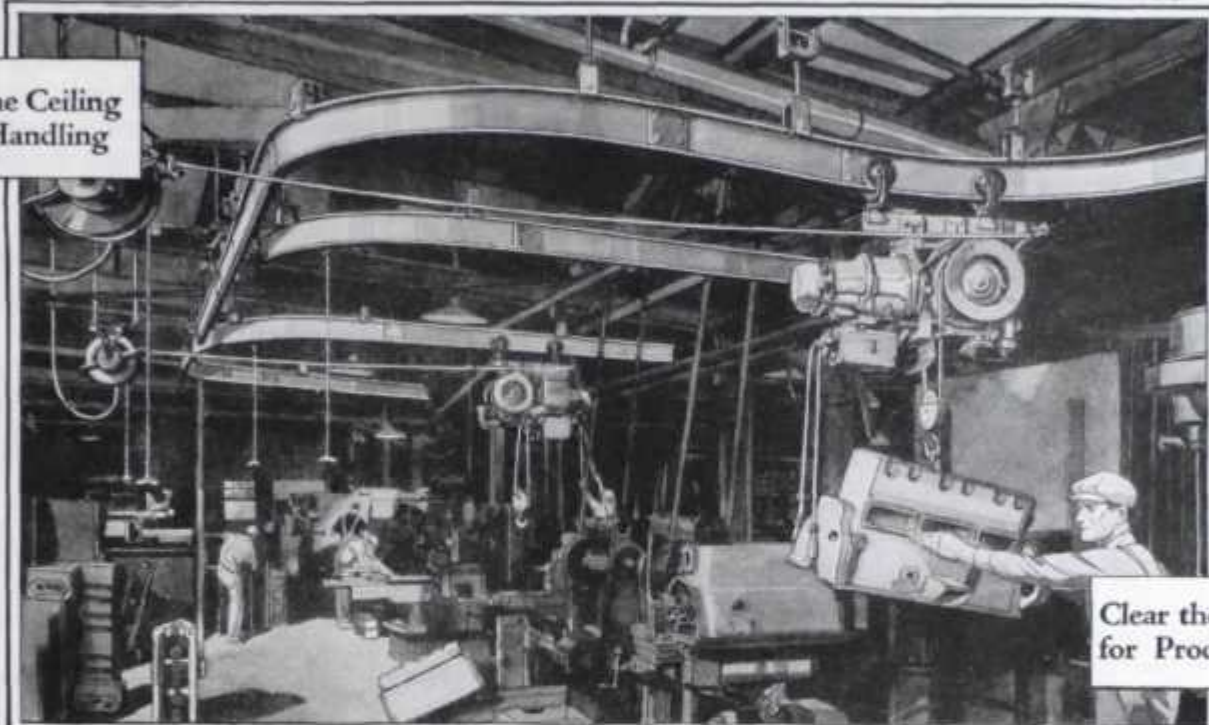
Salesmen and executives in various parts of the country have written and wired us the necessary information regarding their experience. In every case, if no manufacturer is on record as

AIR-MINDEDNESS

*in your plant will eliminate the conflict
between*

PRODUCTION and HANDLING

Use the Ceiling
for Handling



Clear the Floor
for Production

MORE and more plant executives ... tiring of the eternal conflict for room between production and handling... are becoming air-minded. They are turning to Louden Monorail Handling ... putting the other half of their plant to work ... clearing the floor for action ... eliminating the need for wastefully broad aisles.

At last, handling is getting its deserts where Louden Monorail is installed ... space of its own ... speed ... safety. Since the Louden does the heavy work ... lifting and carrying ... fewer men can move more material over the permanently smooth Louden track. (And the load is also moved by Louden Motor-Driven Trolleys when circumstances warrant.) Because Louden track is permanently smooth, breakage of fragile pieces is practically eliminated.

Any plant can be air-minded and make 20% to 1000% profit on the investment in Louden Monorail Handling ... whether the plant is large or small ... whether handling is by the piece or in a continuous stream ... *whether loads are 5 lbs. or 5000 lbs.* Once planned, the Louden System can be quickly installed by inexperienced labor ... and Louden Engineers will gladly plan such a system without obligation to you.

THE LOUDEN MACHINERY CO.

Established 1867

601 West Avenue Fairfield, Iowa
Offices in Principal Cities

LOUDEN
Industrial Monorail Systems

Industry Uses More Miles of Louden

Louden ... the first monorail ... has held the lead. Louden users include:

Ceramic plants, automotive plants, foundries, textile mills, paper mills, bakeries, machine shops, department stores and manufacturers of practically every class of products.

SUPER-TRACK key-booklet to modern handling

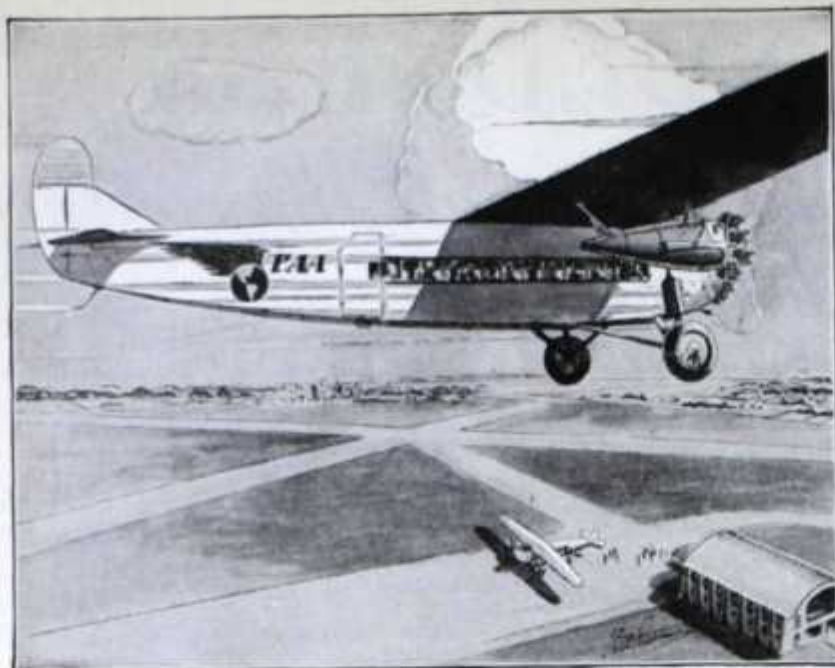
The Loudon booklet "Super-Track" describes the latest monorail development—Louden Super-Track—a heavy, hard-rail system which costs less to install and use. Executives interested in handling will find in this book the key to lower costs. Write for your copy.



USE THE OTHER HALF OF YOUR FACTORY

(A-1703)

When writing to THE LOUDEN MACHINERY CO. please mention Nation's Business



Try this Faster Way for Mail and Passengers to HAVANA, NASSAU, LATIN AMERICA

BUSINESS day or holiday—the modern business man must travel the fastest, most comfortable way to Latin America.

Board your favorite train in your home city. Transfer from Pullman to Pan American airliner at Miami or Brownsville, Texas. Seven airliners daily leave Miami for Havana. Daily service is maintained to Nassau. Scheduled departures to other points are frequent and convenient.

Pan American is the most extensive air transport system in the world, flying an average of 88,522 miles weekly along 12,000 miles of airways. Each day 28 to 30 airliners are in scheduled flight simultaneously. Each airliner carries a crew of four, consisting of a steward, radio operator, and two pilots, each with a minimum of 2,000 hours flying experience.

Railroad ticket offices and principal travel bureaus can supply through tickets and reservations. To avoid disappointment, make reservations well in advance.

By application to Pan American Airways, business houses with interests in Latin America may procure full schedules and tariffs to lands where their interests lie.

Mail schedules and rates will be sent upon request.

Through northbound tickets available at Pan American offices, on the airways.

Through Service with These Famous Trains

*Direct connections with
Pan American Airliners at Miami*

from NEW YORK—

39 hours to Havana and Nassau
(direct connections from Boston):
Havana Special Lv. 6:50 p.m.
Everglades . . . Lv. 10:20 p.m.
Florida Special Lv. 8:35 p.m.

from BOSTON—

43 hours to Havana and Nassau:
Everglades . . . Lv. 4:30 p.m.

from CHICAGO—

(44 hours to Havana; 45 to Nassau)
and principal cities of Michigan and Ohio:
Dixie Limited . . . Lv. 2:00 p.m.
Floridan . . . Lv. 2:45 p.m.
Flamingo . . . Lv. 11:35 a.m.

from ST. LOUIS—

40 hours to Havana and Nassau:
Dixie Limited . . . Lv. 4:22 p.m.
Floridan . . . Lv. 6:20 p.m.

*Connecting at Brownsville for
Mexico City—Daily*

from NEW YORK—

60 hours 30 minutes to Mexico City:
The American—Penn. R. R.
Crescent Ltd.—Southern Ry.

from CHICAGO—

51 hours to Mexico City:
La Salle . . . Lv. 11:25 a.m.
Daylight Special Lv. 11:45 a.m.

from ST. LOUIS—

44 hours to Mexico City:
Sunshine Special, Lv. 6:30 p.m.

*Seven Airliners daily from Havana—
one daily from Nassau—for home
bound travelers.*



PAN AMERICAN AIRWAYS, Inc., 122 East 42nd Street, New York City

PAN AMERICAN AIRWAYS

When writing to PAN AMERICAN AIRWAYS, INC. please mention Nation's Business

needing the applicant's services, a special bulletin is sent to all manufacturers likely to have positions open calling for the qualifications of the man.

Many cases have come to our attention in which good salesmen, usually in remote territories, have spent weeks in trying to make new connections. We have succeeded in placing a number of them promptly.

Good salesmen are versatile, and when they get discouraged over their employment situation in the grocery industry, it is natural for them to try their talents elsewhere. So we feel that the bureau has already proved its value in saving our good men for our own industry and preventing much of the loss due to employment turnover from an industrial viewpoint.

A need in other industries

THE necessity for personnel bureaus in other industries has been demonstrated in our office many times. The other day, for instance, a young man called to ask if we could place him, explaining that for several years he had been assistant to the general manager of one of New York's most successful department stores. Recently, also, an engineer of nearly 20 years' experience requested us to find a position for him.

Unfortunately, we were unable to help these men, although, because they had been long out of employment, they were willing to enter our industry or accept any kind of a position that would give them a living. In our opinion, both are exceptionally qualified for good positions within their industries, and both preferred to follow their callings. Their training and experience represent the investment of thousands of dollars, which will give a vastly larger return to employers in the department-store and engineering fields than in any others.

In every case, our bureau ascertains the business history of the applicants who register. All details and statements of achievement are checked.

We are sparing neither expense nor effort in taking care of the salesmen of our industry, and we have gone far enough in the work to know that we are saving a great deal of money for the men, as well as for the industry, besides eliminating expense and wasted time for manufacturers.

We hope to see associations in all the major industries promote a similar service, because we think we have proved that these organizations cannot engage in a more important activity.

...only
10¢
 ...how can it cost so little?

*Simonds cutting edges and
 modern methods guarantee
 greatest value*

NOWADAYS you can step into almost any store and buy dozens of articles that cost so little yet serve so well. Quantity production methods coupled with Simonds products guarantee to manufacturer and to user the utmost in merchandise value.

It has been the privilege of Simonds Industries to work with hundreds of manufacturers in developing cutting edges indispensable to modern quantity production. Operations that once took hours now take minutes—and production costs have been reduced proportionately.

For every material that must be cut and finished—wood, steel, iron, brass, fibre, the new alloys and the modern products of chemical science—Simonds has perfected cutting tools which defy the toughest cutting jobs. Because of their high dependable quality, Simonds cutting edges lower costs...simplify and help standardize factory operations.

Eight Simonds factories, a steel mill, 15 sales branches and a nationally distributed system of service stations await your call to serve.

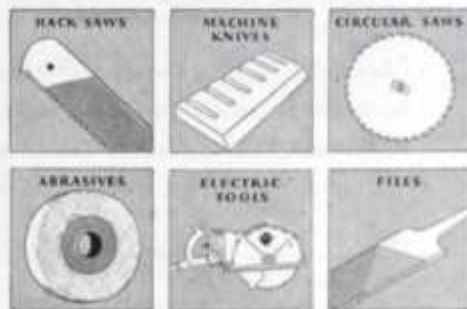


SIMONDS SAW AND STEEL COMPANY
 ESTABLISHED 1832 • FITCHBURG, MASS.

PRODUCERS OF Circular, Band, Metal, Cross-Cut, Gang and Drag Saws; Machine Knives; Files; Hack Saw Blades; Tool Holder Bits; Saw Tools; Discs; Steel.

AFFILIATED COMPANIES
 WAPATT, INC., Pittsburgh, Pa., Manufacturers of Portable Electric Saws and Tools — THE ABRASIVE CO., Philadelphia, Pa., Producers of Abrasive Grinding Wheels and Polishing Gears — SIMONDS GUARANTEED CUTTER-HEAD COMPANY, Seattle, Wash., Manufacturers of Guaranteed Cutter-Heads.

Boston . . . Mass.
 Memphis . . . Tenn.
 Seattle . . . Wash.
 Chicago . . . Ill.
 Detroit . . . Mich.
 Portland . . . Ore.
 New York . . . N.Y.
 New Orleans . . . La.
 Atlanta . . . Ga.
 San Francisco . . . Cal.
 Los Angeles . . . Cal.



SIMONDS INDUSTRIES
 World's Largest Saw Makers

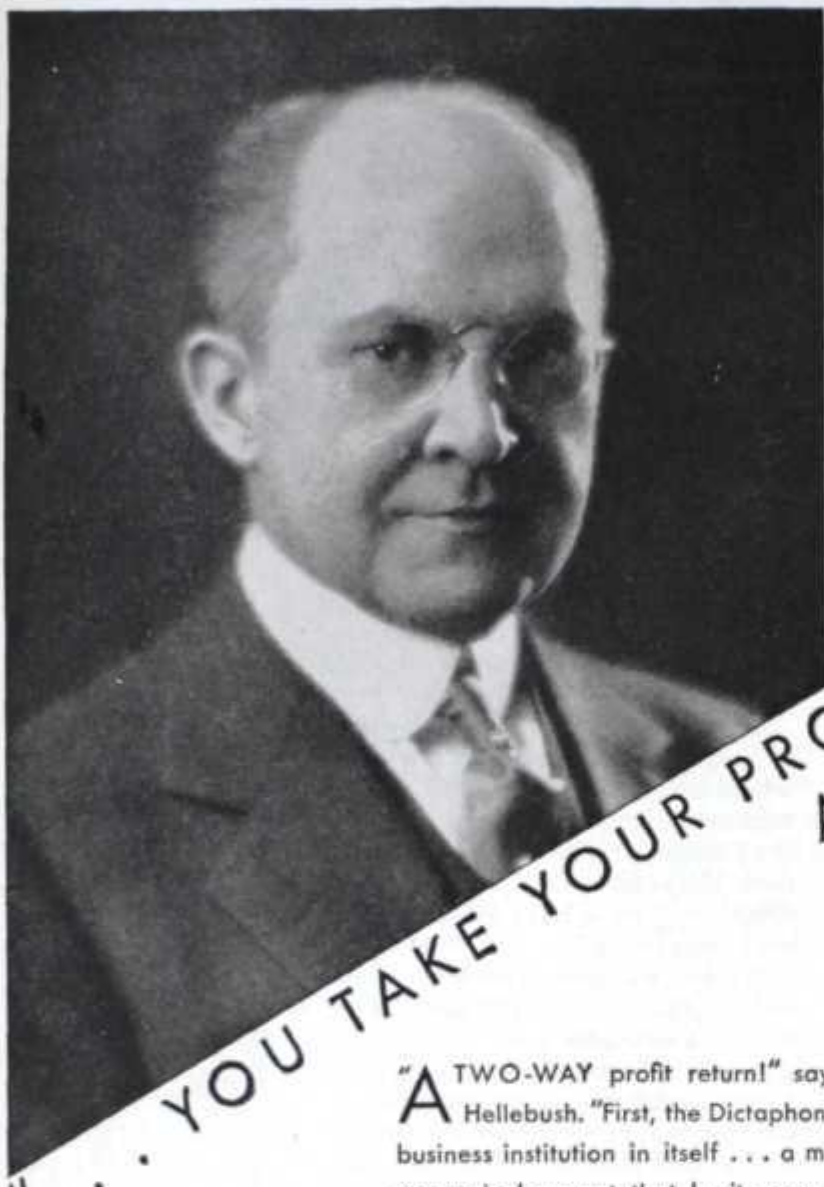
BACK OF THE EDGE..THE STEEL...BACK OF BOTH..SIMONDS

When writing to SIMONDS SAW AND STEEL COMPANY or its branch offices please mention Nation's Business

C·K·HELLEBUSH

SECRETARY & SALES MANAGER KEE LOX
MANUFACTURING CO., WORLD'S LARGEST
EXCLUSIVE MANUFACTURER OF CARBON PAPER AND TYPEWRITER RIBBONS —

says:



YOU TAKE YOUR PROFIT IN ECONOMY AND CONVENIENCE"

"A TWO-WAY profit return!" says Mr. Hellebush. "First, the Dictaphone is a business institution in itself... a modern economical servant that by its own great capacity for work, and its amazing versatility, offsets the danger of inflated pay-rolls, excess salaries, wasted space and over-equipment. It enables my secretary to do easily the work of two girls.

"But there is also the convenience factor to make this dictating machine a paying investment," he continues. "The time-saving, the accuracy, the orderly, machined

smoothness of a Dictaphone system in full stride, are elements of decisive importance to increased accomplishment."

Only when you've tried a new Dictaphone yourself... lifted the handy Featherweight mouthpiece to your lips... will you realize how many are its conveniences and economies. The coupon will bring you a free trial, without obligation.



DICTAPHONE

The word DICTAPHONE is the Registered Trade-Mark of Dictaphone Corporation, makers of Dictating Machines and Accessories to which said Trade-Mark is Applied.

Dictaphone Sales Corporation, 204 Graybar Bldg., New York, N. Y.
In Canada: 33 Melinda St., Toronto.

I'd like to see how the Dictaphone can apply its economy and convenience to my office. Just show me one.

Name _____

Address _____

BRANCHES IN PRINCIPAL CITIES—SERVICE EVERYWHERE

WHAT I'VE BEEN READING

By WILLIAM FEATHER

★ SOME months ago we invited William Feather, president of the Cleveland printing and publishing firm bearing his name and a business man of wide reading interests, to chronicle his adventures among books in these columns. Here he sets down his impressions not only of current works on business subjects but of the lighter books and of those time-tried volumes of perennial appeal

THE story of the penetration of foreign markets by the United States is told in "The Imperial Dollar" by Hiram Motherwell and "America Conquers Britain" by Ludwell Denny. Both authors are newspapermen. Denny is with the Scripps-Howard Newspaper Alliance and for some years was a correspondent in Europe. Motherwell for eight years was European correspondent of the *Chicago Daily News*.

The ordinary layman in our country may be blissfully ignorant of foreign affairs. He may skip newspaper items bearing foreign date lines. His interest in foreign places may be limited to their literature, restaurants, castles, and cathedrals. Presently, however, he will become increasingly world-conscious. Perhaps the security of his job will be dependent on crops in Russia or China.

He will find himself the owner of bonds of a South American republic, and the stability of the government will concern him. He will have cousins working in the offices of American corporations in Japan, Germany, Bolivia, Liberia, and South Africa. His sons will be taking jobs overseas, and his daughters will be marrying Americans who visit the homeland once in four years. This change is likely to occur in the next two decades.

Business in the United States has the cash, the enterprise, the skill, the desire, and the will to conquer foreign trade. It is seeking to control nickel, rubber, oil,

and other raw materials that we lack in abundance. It is challenging Britain in banking and shipping. The primary motive is profits—surplus funds and energy seeking an outlet. But to its foreign trade, as to its domestic trade, the American brings a motive that is a powerful stimulant. It is the motive of service. Some may laugh or sneer, but the fact remains that service is a leading factor in American business success.

American business men through the intelligent management of labor and capital have brought prosperity to their own nation in an abundance such as was never before known in the world. They now have the crusader's desire to extend the boundaries of their influence.

They look to the vast populations of Europe and Asia and wonder why those people should not own automobiles, razors, silk stockings, shoes, and radios. If tariff walls are erected, the American leaps the wall and opens a factory. Often he buys control of the leading domestic corporation in the industry. He introduces American methods and machinery, and undertakes to make a demonstration. His zeal is almost religious in its fervor. He will not be denied the opportunity to spread the gospel of prosperity for the masses.

And so, without knowing it, we are building a world empire. Unfortunately the problems of empire will be ours. Other nations may challenge us. If they cannot outwit us by straight business methods they may resort to arms. Perhaps we may escape such casualties. They are not inevitable.

"The Imperial Dollar" and "America Conquers Britain" are recommended

to those who desire a clear picture of American business in relation to world commerce. Both books cover the same ground. "The Imperial Dollar" is the shorter of the two, but the other volume is more thorough.

THE tempo of modern book publishing is indicated by "Meeting the Bear Market" by Glenn G. Munn, security analyst, Paine Webber & Co. This book appeared in the middle of March, and the final sentence is "Purchase of stocks for holding into the next major movement should not be deferred beyond approximately May 1." That gives the book a theoretical life of 45 days. A reviewer for a monthly publication finds that the race has started before his comment appears.

Those interested in the market will enjoy Munn's book. It is admirably written and printed. Munn is bullish on common stocks, despite the break last fall. He sees another bull market about to begin, and has sufficient confidence in his own judgment to suggest a list of stocks that offer opportunities for enhancement.

Specific advice is offered to speculators who desire to take advantage of the highs and lows of the markets. Munn is outspoken in his statements. The book is distinguished because it is free from those qualifying phrases that enable an author to seem to say much without saying anything.

"The Stock Market Crash—and After" by Irving Fisher is an historical review of the events that led to the rapid decline of stock values in the fall months. Although he is reassuring about the present level of prices and the prospect of a rise, Professor Fisher is more cautious in his statements than Munn. He is still impressed by the merits of common stocks and by the work of in-

"Meeting the Bear Market," by Glenn G. Munn. Harper & Brothers, New York. \$2.50.

"The Stock Market Crash—and After," by Irving Fisher. The Macmillan Company, New York. \$2.50.

"The Imperial Dollar," by Hiram Motherwell. Brentano's, New York. \$3.50.

"America Conquers Britain," by Ludwell Denny. Alfred A. Knopf, New York. \$4.

Sun Heat and Glare



Cool Air and Light



RA-TOX Shades keep out sun-glare and heat, but admit from 35% to 40% more light and air than ordinary shades. They reduce room temperature from 18 to 20 degrees—ventilate without drafts—allow for independent operation of center-swing ventilators in steel sash. Made of attractively colored, permanently stained, or aluminum finished, wood strips woven parallel. They are practically wear-proof and will serve you for twenty years or more. Brackets and fixtures that perfectly adapt this shade to all types of sash have been developed.

Send measurements for sample information and estimate

Hough Shade Corporation

(Industrial Division)

154 N. La Salle Street, Chicago, Illinois

RA-TOX OFFSET WOOD FABRIC SHADES for INDUSTRIAL — SASH —

HOUGH SHADE CORPORATION
154 N. La Salle St., Chicago, Ill.

Send complete RA-TOX details at once.

Name _____

Address _____ City _____

State _____ Individual _____

☐ Steel Sash ☐ Wood Sash

THE "25"—SPLENDID FOR ALL-AROUND PURPOSES



On the lawn of average size, where a roller mower is not needed, or where terraced lawns would not permit, the Ideal "25" is unsurpassed. It handles easily around tight corners. It cuts clean and smooth, and is strongly and simply constructed. Its smaller brother, the "20", for smaller cutting jobs is equally efficient. Or, you may prefer a roller mower, that smooths out bumps and hollows as it cuts—or the Triplex that keeps cutting costs low on big areas. Write today for the Ideal brochure showing the complete line of Ideals at work on the country's largest and finest estates.

IDEAL POWER LAWN MOWER CO.
450 Kalamazoo Street, Lansing, Mich.

Branches:

413 West Chicago Avenue Chicago, Illinois 227 Lafayette Street New York City

272 Baylton Street Brookline, Mass. 161 Vester Street Ferndale (Detroit) Mich.

Dealers in all principal cities

IDEAL POWER LAWN MOWERS

vestment trusts. The only "fly in the ointment" that he sees is the danger in a few years of gold shortage and long gradual deflation like the deflations after the Civil War and after the Napoleonic Wars. "And even this danger may be averted," he says, "if wise banking policies and gold control are adopted in time. For the immediate future, at least, the outlook is bright."

As a substitute for brokers' loans, Professor Fisher suggests an option agreement. A form for this agreement appears in the appendix. The option is suitable only for those who are interested in the "long pull." Because the holder of an option agreement cannot be sold out on a bad decline, Professor Fisher argues that its use would prevent wholesale dumping of stocks and the consequent smashing of prices.

I FOUND the advertisements in the March issue of NATION'S BUSINESS so interesting and informative that not until I had glanced at each page of advertising was I able to give my undisturbed attention to the text. I doubt if business ever presented its products and services so effectively in a single issue of one publication.

Business, in addressing the general public, may indulge in vague generalities, but in talking to the large buyers of its products it is compelled to be specific. Therefore the business man who deliberately studies the advertising in NATION'S BUSINESS is amply rewarded. He gains ideas and inspiration. He keeps abreast of business progress.

The American Telephone & Telegraph Company tells how one company sold ten carloads of flour by long distance telephoning at a cost of \$2.10. . . . The Detroit Aircraft Corporation reveals that two salesmen for a manufacturer sold 78 per cent of his product. Six other men sold the balance. Why not make the big producers more productive by traveling them by airplane? . . . 40 per cent increased production was obtained from the use of Over-Way trolleys.

One time and correct time in all departments of a business through the use of International Time Recorders. . . . When speed is vital call on Austin to erect your factory. . . . Cut your labor costs by the use of Special Production Machines. . . . White paint on walls and ceiling will improve production in your factory. . . . Faster speed for trucks through the use of Goodyear Balloon tires. . . . Is your chimney still a smoke-stack and why? . . . Eliminate pipe



Easy to look at!
with the

AMERICAN VISIBLE

Stop Numbering Mistakes with the

ONLY Numbering Machine that shows you in advance the next number that will print. Prevents spoilage of valuable papers and documents. Finest, all-steel construction; rich, lustrous-black frame and Chinese-red handle.

Costs no more than other good numbering machines. At your stationer's or rubber stamp dealer's. Write us if he cannot show you the American VISIBLE.

Model 41 (6 wheel) is \$12.00, \$15.50 in Canada.

150 OTHER MODELS for every specialized numbering need of office or factory. Write us your requirements.

654321

Impression of figures

GUARANTEED BY

AMERICAN NUMBERING MACHINE CO.

224 Shepherd Avenue BROOKLYN, N. Y.

Branches: Chicago—London—Paris

Canadian Agents:

A. B. MacDONALD & Co.

51 Wellington St. West, Toronto, 2, Canada



Motor Trails of Wonder Lead Through Michigan's 78 State Forests



Michigan's 1,000 miles of shoreline on the Great Lakes is just the lovely outline of the wealth of beauty of its interior. Splendid highways lead to its 5,000 inland lakes, 67 state parks and 78 state forests. Here's a motor trip into adventure! Write

East Michigan Tourist Association

Dept. 355 Bay City, Michigan

maintenance costs through the use of Reading Genuine Puddled Wrought Iron Pipe. . . . A season's profits endangered by flame. . . . Are you sure your package is right?

Let the Erie Railroad suggest your new industrial site. . . . Save 80 per cent of handling costs by using Stuebing Lift Trucks. . . . Pennsylvania railroad service has helped to cut inventories, speed turnover, and perfect a whole new conception of distribution. . . . Responsible companies are every day purchasing Fairbanks-Morse Diesel Engines under a plan whereby the actual savings become payments for the engine.

Such thoughts appear on every page of advertising. They compel the reader to think about his own business in terms of modern efficiency.

NATION'S BUSINESS is fortunate in having a large group of advertisers whose copy is prepared particularly for the readers of the magazine. When such a goal is achieved by a publication, advertising and text become of equal interest to readers. Each issue is the equivalent of a business convention and exposition. Principles are enunciated in the text, and their application is presented in the advertising pages.

"ROBOTS or Men?" is the most satisfying and heartening picture of American industry from the point of view of a worker that I have read. Dubreuil is a French mechanic, who since 1920 has been Secretary of the French Federation of Labor. In 1927 he came to the United States where he lived and worked for 15 months, studying American industrial conditions. He writes, not as an objective observer, but as a man who has toiled with his hands in the new and the old country, and who is trying to make an honest appraisal of the worker's lot in the two continents.

Unsympathetic critics of the American industrial conditions will find this a disturbing book. They will be upset to learn that the men who work on the Ford assembly line—as Dubreuil did—do not resent repetitive motions. Men have been doing repetitive work since the Middle Ages. The spinning frame and the foot-power loom are repetitive devices, and working at them is as dull as the lot of any modern factory worker. What many casual observers at Dearborn do not realize is that Ford employs thousands of skilled workmen, and that there is such a shortage of this class of labor that he is compelled to train many

"Robots or Men," by H. Dubreuil. Harper & Brothers, New York. \$3.

Drains to the Last Drop Yet Not a Drop Leaks In

HACKNEY steel barrels and drums are the only ones with the famous patented raised openings—

That drain the contents to the last drop—

That prevent leakage in—even when the head is filled with water and the plugs removed from the bungs.

Better in design—Hackney barrels and drums are also sturdier in construction.

The raised openings are forged steel rings, brass brazed—unbreakable.

And the head is brass brazed into a pressed channel section, making a joint eight times as strong as an ordinary welded seam—and one which will never rust.

No wonder Hackney Steel Containers are used by such industrial leaders as:

Phillips Petroleum, Vegetable Oil Products, C. M. St. P. & P. R. R., Vacuum Oil, Tanglefoot, Fairbanks-Morse, Procter & Gamble, Chas. E. Johnson & Co., and many more.

Removable Head Containers

In addition to being the largest manufacturer of seamless steel barrels, cylinders and special shapes—Hackney builds a complete line of steel barrels and drums with full removable heads—a complete line of two-piece barrels and drums—and "Light Shippers."

Let us explain the low-cost operation of Hackney steel containers as against light-weight packages. Write for the catalog and complete details.

PRESSED STEEL TANK COMPANY
1179 Continental Bank Bldg. . . . Chicago
1355 Vanderbilt Concourse Bldg. . . . N.Y. City
5777 Greenfield Avenue . . . Milwaukee, Wis.



Hackney

MILWAUKEE

When writing to PRESSED STEEL TANK COMPANY please mention Nation's Business



Swift & Company's 1930 Year Book Reveals some significant facts

SWIFT & COMPANY handled over 18,000,000 meat animals in 1929—yet slaughtering did not contribute to the company's profits that year.

This company has never failed to pay a dividend in 45 years—yet Swift & Company's average earnings are less than two cents on the dollar of sales.

Swift & Company competes with over 1,000 other packers for the public's patronage—yet this company continues to put out new products, to extend its marketing facilities to add to its volume of sales.

The name of Swift & Company is associated most frequently with MEAT—yet any one of the by-products manufactured by this company is, in itself, a huge business.

SWIFT & COMPANY'S 1930 Year Book gives these interesting facts in detail—and many more. It tells how Swift & Company, through diversification, is able to consolidate its position as one of the best organized, most economically managed, efficient concerns in the country.

If you would like a copy of the Swift & Company 1930 Year Book, please fill out this coupon, and it will be sent to you, free of charge.

SWIFT & COMPANY
4072 Packers Ave., Chicago, Ill.
Please mail me free a copy of Swift & Company's
1930 Year Book.
Name _____ Address _____

of them himself. Dubreuil shrewdly observes that an outsider is frequently alarmed by conditions that are merely part of the day's work to the laborer. A man in a rolling mill who catches white-hot wire with tongs often feels safer at his machine than he does in the street. He gets goose-flesh when he sees a window-washer poised on the top ledge of a twenty-story skyscraper.

And if the steel worker were offered \$20 a day to board a small fishing smack and assist in making a deep-sea catch, he would decline.

The Frenchman tells of specific jobs that to a visitor appeared dangerous and inhuman, but which involved no danger either to the health or limb of the worker. The inference is that many critics are no better qualified to discuss what is on the industrial worker's mind than they are to tell what is on the mind of a tight-rope walker.

Of Ford's plant he says, "I feel free to speak out and say that in his plant you do not find the terrible things you read of in the works of certain writers who have only visited his enterprise with the handicap of various preconceived ideas."

THIS observer admired the helpfulness that workers gave each other. He liked the spirit of the foreman, whose invariable remark to a newcomer was, "Let's see what you can do." When he left a shop everyone wished him good luck.

Dubreuil rejoices in the wide use of trucks and lifts for handling heavy materials. He notes the practice of wearing gloves for work that would otherwise cause thick callouses on the hands. He notes that the United States is considered backward in legislation designed to protect factory workers, but he informs European critics that such legislation is unnecessary here. For example, the French Government decrees measures intended to limit the weight of burdens, but in America lifts and mechanical conveyors are far more effective than laws in preventing hernia.

To those who admit material prosperity in America, but fear that we are losing our souls, Dubreuil points out that European radicals are forever demanding that the lot of the workingman be improved.

"I confess," he says, "my inability to understand how they can complain of seeing achieved in America a state of things which they demand for us. As a worker myself, I find this point of view particularly untenable when it is held by people of education and bourgeois circumstances, who doubtless have never

"THE NEW BUSINESS WORLD"

Conducted by Merle Thorpe, Editor of *Nation's Business*, every Saturday night at 8 P. M. (Eastern Standard Time) over a National Broadcasting Company hook-up including the following stations:

WEAF—New York

WJAB—Providence, R. I.

WTAG—Worcester, Mass.

WCHS—Portland, Me.

WHC—Washington, D. C.

WGY—Schenectady, N. Y.

WGB—Buffalo, N. Y.

WCAE—Pittsburgh, Pa.

WFJC—Akron, Ohio

WJDX—Jackson, Miss.

WWJ—Detroit, Mich.

WRAT—Cincinnati, Ohio

KSD—St. Louis, Mo.

WDAF—Kansas City, Mo.

WOW—Omaha, Neb.

WBT—Charlotte, N. C.

WPTF—Raleigh, N. C.

WMC—Memphis, Tenn.

KSL—Salt Lake City, Utah

KSTP—St. Paul, Minn.

WEMH—New Orleans, La.

KPHC—Houston, Texas

WOAI—San Antonio, Texas

KTHS—Hot Springs, Ark.

KOA—Denver, Col.

KGO—San Francisco

KECA—Los Angeles, Cal.

KGW—Portland, Ore.

KOMO—Seattle, Wash.

KHQ—Spokane, Wash.

considered the comfort of their own lives an obstacle to their intellectual development."

To compare the real wages of American workers with those of French workers, the author converted prices and wages into minutes. Thus he estimates how many minutes an American and a Frenchman must toil to acquire the purchasing power for a dozen eggs. The table follows:

	French	American
Milk (litre).....	22 minutes	13 minutes
Eggs (dozen).....	2 hrs. 30 "	55 "
Potatoes (livre).....	9 "	6 "
Sugar (livre).....	35 "	7 "
Coffee (livre).....	3 "	1 hr.
Cocoa (livre).....	40 "	25 "
Kumpsteak (livre).....	40 "	35 "
Pork (livre).....	40 "	18 "
Chicken (livre).....	3 "	30 "
Moving picture.....	1 "	20 "

Less favorable is the comparison of rent. Whereas the French workman devotes his wages for 35 hours to the payment of a month's rent, the American gives up wages for 75 hours. However the living quarters in France are not comparable with those in America. Americans would not endure the conditions in which the Frenchmen live.

This book is a refreshing and unexpected tribute to American management. Since it was written for consumption in France, we may assume that the impressions were honestly recorded. One sentence in the last chapter, intended for the radicals in France, should also be broadcasted here.

Dubreuil, addressing his countrymen, says, "Instead of stopping at superficial criticisms, we should perceive that an attentive study of America conducts us in reality to the threshold of a new and veritable revolution."

RICHARD WYCKOFF found his first job in Wall Street in 1888. He has been in the Street ever since. He was the founder of the *Magazine of Wall Street* and the Wyckoff Analytical Staff, Inc., neither of which he now owns. He was among the first to apply advertising to the promotion of stock brokerage.

He was a pioneer in the technical study of the tape, and of the technicalities of the market itself. At one time his "buy" and "sell" following was so numerous that it became unwieldy. His own clients, and the horde of parasites who had access to his tips, "made" and "unmade" the market for the Wyckoff favorites.

In his long career he came to know every one in the Street. Their gossip makes interesting reading in "Wall Street Ventures and Adventures."⁶ All

⁶Wall Street Ventures and Adventures, by Richard D. Wyckoff. Harper & Brothers, New York. \$5.

The Open Mind Sees Further —and Is Better Served

Consider *improved* washroom drying service with the same open mind that weighs any other betterment for your business. Don't let prejudice or other old-fashioned likes or dislikes interfere . . . There is a better, quicker, more sanitary and far more economical drying service now available for your washrooms, and the new "SF" Sani-Dri supplies it. Not partially, not "after a fashion," but fully and completely, and with a certain saving of from 60% to 90% . . . The new "SF" Model dries the natural way, *by evaporation*, which prevents chapping and which leaves the skin soft and smooth. Employees appreciate its superior "dry," and its continuous, *ever ready* service. You, also, will like it because of its bother-free operation and because Sani-Dri does away with washroom litter and fire hazard. The new improved model quickly pays for itself out of its savings . . . Investigate the new Sani-Dri with an open mind and you will find it offers many twentieth century advantages for your business.



ELECTRICAL DIVISION
CHICAGO HARDWARE
FOUNDRY CO.
North Chicago, Illinois

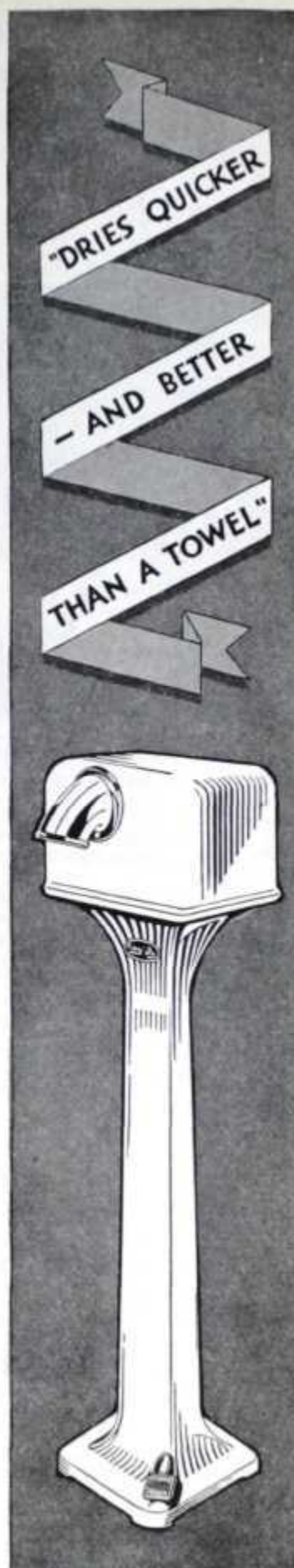
Electrical Division, CHICAGO HARDWARE FOUNDRY CO.
North Chicago, Illinois

I'd like to know more
about the new "SF" Sani-
Dri and to learn what it
can do for us.

Your Name.....
Firm Name.....
City..... State.....

MAIL COUPON FOR FULL INFORMATION ABOUT NEW "SF" Sani-Dri.

When writing to CHICAGO HARDWARE FOUNDRY CO. please mention Nation's Business



Good enough you / say!



what about this!

THE old rig might get you to work—eventually. A hand-and-knee scrubber might get a floor passably clean—with enough elbow grease. But you use a motor car; and on your floors you should use a motor driven scrubber-polisher.

Perhaps you hesitate, comparing the price of a FINNELL with what seems to be the cheapness of the old way. Actually, the FINNELL pays for itself in time and labor saved. And it cleans and polishes far better than hand methods.

Write for Booklet, stating whether interested in models for business or home use. Address FINNELL SYSTEM, Inc., 405 East Street, Elkhart, Ind., or 139 Sparks Street, Ottawa, Canada. Branches in London and Stockholm.



8 SIZES
enabling selection to
fit your needs. For
factories, stores,
schools, hospitals, all
business buildings or
institutions. A house-
hold model, too. Re-
finishes, waxes, pol-
ishes and scrubs
home floors.

IT WAXES
IT POLISHES
IT SCRUBS



FINNELL

ELECTRIC FLOOR MACHINE



When writing please mention Nation's Business

the "big shots" appear in the pages of the book. Not the least interesting of these personalities is that of Wyckoff himself. He began at 14 at a wage of \$3 a week and when he was 30 he was making \$18,000. Since then he seems to have been a big but an erratic money-maker, until his health broke completely a few years ago. One naïve confession is that trading in Wall Street is child's play compared with the difficulties of the publishing business. The *Magazine of Wall Street* was operated at a loss for 16 years. It was supported by the profits from "The Trend Letter," edited by Wyckoff. Speculators gladly paid \$50 to \$500 a year for the brief advice in the Letter.

Of the many professional traders who flit through this reminiscence few seem to emerge with cash. Wyckoff himself made his most substantial profits when he was building a magazine, a market service, or a phonograph company.

WHAT is the purpose of an office?

Read "The Office and Tomorrow's Business," written by L. C. Walker, president, The Shaw-Walker Co. It is a small book but it will jolt you like a springless wagon. When you get through with it, you will want to take an axe and slay the "sacred cows" that are fattening at your expense. You will want to rid your office of red tape, routine, useless correspondence, needless forms, and perhaps you will want to rescind your ruling that "verbal orders don't go."

Not all radicals are communists. Walker is a radical who believes in pri-

"The Office and Tomorrow's Business," by L. C. Walker, The Century Co., New York. \$1.50.

vate enterprise. He believes in offices and in overhead. But he doesn't think an office should be a private club. He wants smaller desks, fewer letters, less cost accounting, and less system.

"The function of an office," he says, "is to serve as a center of control between the making of goods and the disposing of goods—or of service if the business is of that type. But we seem to have lost that simple conception. We have made the office a business in itself, filled with people who have their own office work to do, and who spend so much of their time 'working' that they have little time to do business."

That paragraph presents Walker's philosophy. Get orders, make goods, ship goods, and collect the money. That's business. Dictating and filing alibis aren't business. Writing two-page letters, when two-sentence letters would do, isn't business. Holding endless conferences isn't business.

Straight-line production has been accomplished in the factory, but the office refuses to conform to the modern tempo. It is attached to massive desks, and drawers filled with private rubbish. It clings to the memorandum system of communication. It likes privacy, stuffed-shirt dignity, and the heavy nonsense of committee meetings.

Slack times offer the opportunity to survey our follies. I recommend that every executive obtain this book. It will be a purge and a tonic for the man who is sinking under a load of office overhead.

In the introduction, Walker pays his respects to Robert R. Updegraff, who collaborated in the writing of the book. Updegraff's skillful pen contributes much to the unusual effectiveness of the presentation.

On the Business Bookshelf

CHARLES WOOD has been rediscovering America for us.¹

The machine age hurried us along. The war jumbled us up. Then we breathed deeply in relief as a prophet spoke who wished to guide us backward toward "normalcy." In our minds that meant the glamorous good old times—an age of less perplexity, of understandable facts and things.

But we could not go back. There was no "normalcy."

A chain store magnate wanted Mr.

Wood to write about what chain stores have done to business. Wood wanted to write about what chain stores, and the automobile, and mass production, and the radio, and newspaper chains and news syndicates, and the movies had done to folks. Oddly enough, the chain-store magnate financed Mr. Wood's investigation of a typical small town, because he also was interested in folks. And they let the chips fall where

¹"The Passing of Normalcy," by Charles W. Wood. B. C. Forbes Co. \$3.00.

BUSINESS JAMS★



★ THE STOCK MARKET crash last Fall was the worst in history. Public confidence everywhere was shaken. Retrenchment seemed to be the order of the day. But President Hoover was convinced that business was fundamentally sound, and that there was no need to fear a collapse and a resultant panic. All that was required was a girding of the loins and a determination to carry on "business as usual."

★ JULIUS H. BARNES, calling together the Business Survey Conference, compared the situation with that of a log jam on a river. Such jams can not be untangled by legislation, but only by experienced river men who know logs and how to handle them. The men at the Business Conference, acting in this capacity, removed the key log in this business jam and started the country once more on the road to prosperity.

THERE are many other kinds of jams. Every Trade Association and every Chamber of Commerce is continually meeting them. They are such questions as, how these organizations can best meet the problems of their communities and industries, the best forms of organization, best methods of operating these organizations.

The discussion of these jams and the training of leaders to break them is one of the purposes of the National Institute for Commercial and Trade Organization Executives conducted each summer at Northwestern University, Evanston, Illinois, and sponsored by Northwestern University, National Association of Commercial Organization Secretaries, American Trade Association Executives and the United States Chamber of Commerce. The leaders in these discussions are trained "river men" who know the problems that confront Chambers of Commerce and Trade Associations.

THE COURSES of study are prepared to meet the problems of two great groups of American business organization,—Chambers of Commerce and Trade Associations.

Typical Chamber of Commerce Courses:	Typical Trade Association Courses:
Retail Trade Development	Industrial Research and Market Survey
Street and Highway Traffic	Trade Association Movement and Industrial Development
Credit Bureaus	Distribution
Transportation	Trade Relations
Industrial Research and Development	Gathering and Presentation of Statistics
Town Planning and Zoning	Effective Publicity
State and Local Taxation	Association Structure
Foreign Trade	
Organization Structure	

The tenth annual session of the National Institute for Commercial and Trade Organization Executives will be held from August 3 to 16, inclusive, at Northwestern University, Evanston, Illinois.

Further details may be obtained by writing to

**THE NATIONAL INSTITUTE FOR
COMMERCIAL AND TRADE ORGANIZATION EXECUTIVES**

607 First National Bank Building, Chicago, Illinois

New Idea

sweeps aside all former standards of foot comfort



PERFECT fit used to be the limit of comfort even in the most expensive shoes.

Now an entirely different kind of fine shoe proves that comfort can be much more than the mere absence of foot pains.

The patented exclusive tread-base of the Arch Preserver Shoe assures not only passive comfort but such vigorous foot health that the wearer enjoys "Active Comfort"—exhilarating, energizing, inspiring.

Nerves, muscles and blood-vessels enjoy barefoot freedom on the Arch Preserver flat inner sole.

The natural springiness of the step is stimulated by the moulded Arch Preserver metatarsal support.

The long arch retains its youthful strength and buoyancy, all strain and stress being absorbed by the concealed Arch Preserver arch bridge.

These and other exclusive features are found only in the Arch Preserver Shoe. They cannot be duplicated because they are patented. Distinguished styles and choicest materials. Custom Grade, \$12.50 and up. Other grades \$10.

Send for booklet and name of dealer.

E. T. WRIGHT & CO., INC.
Dept. N-124, Rockland, Mass.

Also makers of the Wright Shoe, \$8.50 up

Wright
ARCH
PRESERVER
SHOE
FOR MEN

Made for women, misses and children by only
The Selby Shoe Co., Portsmouth, Ohio

When writing please mention Nation's Business

they would: Mr. Wood's findings were not edited by big business.

He finds that big business is destroying the home, changing morals, meddling with the holy state of matrimony, kicking the props from under the traditional father-and-son status.

Oh, many things are changed; and Mr. Wood goes prowling about the little city of Marion, Ohio, where Harding, the prophet of normalcy, lived, and like Socrates of old he makes life miserable for some of the inhabitants. He asks such very simple questions. And to answer them is disconcerting.

The older folks shake their heads in bewilderment; but the young, for the most part, give forthright answers. They are what a lawyer would call "responsive": they answer questions baldly, and do not wander into explanations.

And Wood finds in Marion more pleasure and not so much joy as of old, more homes and less home life, more things and less appreciation of things. Turmoil and uncertainty . . . but a clearly recognized change in this, that these people of Main and Elm Streets are not of that town any longer, or of the country, or even of the State—the "home town" now is America, as a whole.

The solution Wood sees is the birth of a new morality of service. That word to which so much lip service has been given is to become a code, enforced by economic sanctions. As to that he might be clearer. But after all, many have done the crystal-gazing of sociology. Wood is following a "gadfly." He stings and provokes the reader to thought. It is a challenging book.—EARL REEVES.

MANY of our citizens have contracted the habit of saying, "The United States ought to have a strong foreign policy." Some of that number think in terms of politics. Others think in terms of industry and trade. A large number base their hasty conclusion on a very meager foundation of actual fact.

Professor Williams—in the field of our economic foreign policy—has given both the business man and the student some 400 pages of fact and conservative opinion upon the diplomacy of investment and the diplomacy of commerce.* As he puts it, "The difficult task is here attempted of assembling from a literature, that is often filled with partisan criticism and official defense, an objective account of the economic foreign

***Economic Foreign Policy of the United States**, by Benjamin H. Williams. McGraw-Hill Book Company, Inc., New York, 1929, \$4.

policies of the United States." In the last decade the importance of our Government's economic foreign policy has been accentuated by the wide ramification of American commerce throughout the world; by our increasing investments abroad, not only in the form of loans, but in the form of oil enterprises, plantations, subsidiary companies, branch plants, etc.

Our dependence upon raw materials has brought this question home to many domestic concerns. Changes in tariff levels throughout the world, proposals for European federations, international study of the most-favored-nation clause, not to mention recurring political disturbances in countries where American interests are established, have all tended to make of first importance, in our present-day business literature, a volume such as Professor Williams'.

—E. L. B.

Recent Books Received

Practical Salesmanship, by W. L. Barnhart. The Ronald Press Company, New York, 1929. \$3.50.

Adjustment of Fire Losses, by Prentiss B. Reed. McGraw-Hill Book Company, New York, \$4.

Trust and Corporation Problems, by Henry R. Seager and Charles A. Gulick. Harper & Brothers Publishers, New York, 1929. \$5.

Public Regulation of Competitive Practices. National Industrial Conference Board, Inc., New York, 1929. \$3. Revised edition.

Manufacture of Men's Clothing, by Martin E. Popkin. Isaac Pitman & Sons, New York, 1929. \$10.

Governmental Purchasing, by Russell Forbes. Harper & Brothers Publishers, New York, 1929. \$5.

Social Aspects of Industry, by S. Howard Patterson. McGraw-Hill Book Company, New York, 1929. \$3.

Business Administration of Public Schools, by Harry P. Smith. The World Book Company, Yonkers-on-Hudson, New York, 1929.

Store Management for Profit, by Willis O. Derby. Harper & Brothers Publishers, New York, 1929. \$3.

A simple and easily understood explanation of the problems most frequently met in managing smaller retail stores.

Public Budgeting, by A. E. Buck. Harper & Brothers Publishers, New York, 1929. \$6.

A discussion of budgetary practice in the governments within the United States.

A Textbook on Law and Business, by William H. Spencer. The University of Chicago Press, Chicago, 1929. \$6.

RAILROAD

THE PRESIDENT MAKES FRIENDS WITH HIS PUBLIC •

THE HEADS of transportation companies, like certain kings and caliphs of history, might do well to travel in their own smoking-cars, trolleys or busses, *incognito*. They would be quite likely to hear callous remarks passed about their policies, and jests made at the expense of their rolling stock. For there is perhaps no business more subject to misunderstanding on the part of its clientele than that of the public carrier. • In a five-minute conversation with any one of his passengers, the railroad President could make a staunch friend for the company. But how is he to secure such individual contact with the hundreds of thousands of users of his lines? • He can *write* to them. He can take each commuter, each shipper of freight, each stockholder, into his confidence, and tell him, straight from the shoulder, about the aims and achievements of the road. Such a message, typewritten on the letterhead of the President's Office, and signed with the President's name, will be read and remembered with respect. • In transportation, as in so many other fields, Coupon Bond is the paper chosen by business leaders for their executive correspondence. Coupon Bond is made 100% of new, white rags—a supreme achievement in paper making. Its strength and dignity are expressive of the highest traditions of business. And its watermark is known from coast to coast. • Our portfolio, "The Modern Trend in Letterheads," and a new booklet, "The Executive Letter," will be sent you on request. (In writing for them please use your business stationery.) • *Coupon Bond is but one paper in the Eagle-A Line of Bonds, Ledgers, Writings, Index Bristols, Offsets, Covers, Book Papers, Mimeograph and Manifold Papers—the right paper for every business purpose.*

AMERICAN WRITING PAPER COMPANY, INCORPORATED
HOLYOKE, MASSACHUSETTS



EAGLE • A • PAPERS

When writing to AMERICAN WRITING PAPER COMPANY, INCORPORATED please mention Nation's Business



**DOES YOUR
LETTERHEAD
REALLY EX-
PRESS THE**

**CHARACTER OF
YOUR BUSINESS...**

or does it lack IMPRESSIVE-
NESS when compared with
some of the dignified, artistic
letterheads that come to your
desk? You should have

E. A. WRIGHT COMPANY

Steel Engraved Letterheads

All of your correspondence is
important enough to warrant
using the best. Let us advise
you. We have been designing
and engraving letterheads for
58 years.

Send for Specimens

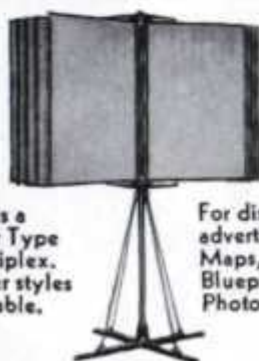
that we have recently produced
for some of the leading business
concerns throughout the United
States. No obligation whatever.

E. A. WRIGHT COMPANY

Broad and Huntingdon Streets

Philadelphia

58 Years of Continuous Service



This is a
Floor Type
Multiplex.
Other styles
available.

For displaying
advertising
Maps, Charts,
Blueprints,
Photos, etc.

Swinging Wing Fixtures That Keep Your Data at Your Finger Tips

Like a large loose-leaf book placed in a vertical
position. Any number of wings furnished in almost
any size. Both sides used for display purposes.
Racks for wings made in various styles.

MULTIPLEX DISPLAY FIXTURE CO.
926-936 N. Tenth St., St. Louis, Mo.

D-14

Why Employees Prefer Cities

By VICTOR HERMAN

LIKE thousands of other employees
I moved to the city because I
believed the opportunities would
be greater there. My immediate
reason was the offer of a posi-
tion with prospects for an increase in
salary.

My up-state friends frequently ask
me how I like the city. They are usually
surprised when I tell them I think it is
wonderful. They ask me if it doesn't
cost more to live and regard me with
suspicion when I say comparatively
less. In other words my salary, com-
pared with city salaries, is no larger than
that I received in the small town, but
actually it goes farther.

More opportunities in city

TO MENTION just one point, I spend
two hours a day getting to and from my
office. I am not paid for those two hours,
of course, but I always have wanted to
find time for the newspapers and other
reading. The two hours are ample.
Consequently I feel well repaid for them.

My wife and I try to save for the
proverbial rainy day. We have the same
standard of living, if not a higher, and
we really save more than we did in the
small town because we have more oppor-
tunities to make money, more income
from which to save.

Where formerly I paid \$65 a month
rent for a six-room flat on a quiet resi-
dential street, I have been paying \$60
for a five-room flat in a two-family
house 10 miles from my office. It is on
a well-paved residential street, lined
with trees and homes, only a few blocks
from a railway station and made doubly
convenient by a bus line.

I have one less room, a tree on the
lawn (something the small town never
gave me), all the flowers I have time to
nurture, sunlight and fresh air, and neigh-
bors who are not only more congenial
and helpful, when necessary, but far
less inquisitive, suspicious and jealous.

I had heard about these hard-hearted
city neighbors. The first month I lived
in the house, one neighbor gave the kid
a dog, another brought him dainties
when he was ill and called daily to see
him. My former rent did not include a
garage; I had to pay \$8 a month extra
for that, walk half a block to reach it,
shovel out the doors and drive in the

winter and make the mud passable with
boards and rocks in the spring.

I have owned a car for years. In the
city I find the upkeep much less because
I can buy what the car needs at lower
prices. Gasoline is 16 cents against 22
cents upstate; other prices are in pro-
portion. The garage adjoins the house;
the car is available when needed. More-
over both driveway and street are hard
surfaced.

I used to drive the car nearly every
day. Now I use it evenings and week-
ends. My wife never used to drive. Now
she drives daily, knowing she is never
more than a few blocks from assistance
in case of difficulty. Besides she feels
safer in controlled traffic.

We still have pleasant drives, and
a far greater variety. The main thor-
oughfares occasionally are congested,
but we know less congested back roads.
In five minutes we can reach open
spaces as wide as any the country
affords.

Adequate healthful recreation is cheap
and plentiful in the city. Moreover, I
find more people interested in getting it.
The day's work scarcely is ended be-
fore their minds turn to recreation,
duties forgotten. Somehow in the small
town I never was permitted to forget I
was only an employee.

Some place to swim

SWIMMING is one of my favorite
sports. In my little up-state town there
was a faded river into which the town
emptied its sewage. There was also an
excellent beach on a fresh water lake.
You couldn't swim in the river; you
paid gloriously for a dip in the lake.

When I landed in the city I found
swimming a major sport. It costs com-
paratively little and is easy to get to.
There are indoor pools, club and public.
Nearby public beaches are packed, but
comparatively no more so than the little
fresh water lake. Distant beaches are
reached by train, subway, trolley, bus
or motor car at a cost of five cents up.

It costs little to drive to them carry-
ing the whole family plus as many neigh-
bors as are so inclined.

Tennis is another of my diversions.
Back in the small town, tennis courts
were in the public park, which was
superintended by persons holding the

belief that parks are to be looked at, not used. In the city I find park employees eager to have the facilities used. Not only are dozens of park courts available, but there are private courts, rentable at a low fee.

For 20 years walking has been an enjoyable form of exercise for me. After finding in the city that many other diversions were occupying too much time and attention, I took up walking again. I walk in the morning. I can walk on hard walks and pavements, but I avoid the built-up, traffic-infested streets and trail the outskirts.

Limited by the small town

THE SMALL town man's newspaper gives him all the important news of the world—if there is room for it. The many fine magazines published keep him abreast of every important development in any field—if he reads them. But what can he do about it all? Give him all these advantages, and more; his field of opportunity still is limited by the meagreness of small town life.

There is inspiration and opportunity in city life far beyond the capabilities, yes even the possibilities, of the small town. There is no limit to variety. If I tire of living in one section, I move to another. If I find a better home at a reasonable rent, I rent it. If I tire of my job, I seek another. If I find a position with better pay, I take it. I have an infinite number of occupations, jobs, employers, salaries and working conditions from which to select those that appeal most to me. Moreover, advancement often seeks me. In the small town I had only the choice of working in an office, a store, a factory or outside—if there was a job to be had.

In the city I note the success of others and guide my steps accordingly. I can improve or vary my lot in life almost at will, provided I am prepared to give what it takes. The opportunities are there; the future is left to me. If I wish to acquire knowledge, to improve my training, to roam in new pastures, I can do it at a minimum of time and expense. If I wish to see the greatest of any art, profession or whatnot, I have simply to seek them to find.

I am hampered neither by the narrowness, the petty jealousy nor the confining conventionalities of the small town. What I do, within the law, is my business. My lot in life is not prescribed for me.

In a word, the city offers me freedom of mind and action, opportunity, inspiration, a future. What I do with the offer rests with me.

Prompt Payment of Losses



is a Part of CENTRAL Insurance

WHEN you suffer fire, tornado or other loss, you want your insurance immediately. Realizing that fact and thoroughly sympathetic with it, CENTRAL invariably mails every loss check the same day on which proof of loss is received. That's a part of CENTRAL insurance.

Since 1876 CENTRAL has given most conscientious service to policy-holders—with real protection in its policies, fair adjustments and prompt settlements, and dividends which for the last nine years have represented a saving of 30% in insurance cost. CENTRAL'S stability is unquestioned; its policies absolutely safe.

CENTRAL policies are written through local agents. Full information and name of nearest representative on request.

CHECKS
MAILED
SAME DAY
PROOF OF LOSS
RECEIVED

Organized
1876

The **CENTRAL**

A Friendly
Company

MANUFACTURERS MUTUAL INSURANCE COMPANY
VAN WERT, OHIO

Fire, Automobile and Tornado Insurance for Select Risks

MacDonald Bros. INC. ENGINEERS

Maintaining, through organized procedure, an unbroken record of success in the analysis and improvement of production and distribution methods . . . for the purpose of increasing each client-manufacturer's net profits. Executives of Management in any industry may communicate directly with the Vice-President in charge of operations.

140 Federal Street
B O S T O N
Massachusetts

551 Fifth Ave.
NEW YORK, N. Y.

1623 Euclid Ave.
CLEVELAND, OHIO

319 South Michigan Ave.
CHICAGO, ILL.

212 South Tryon St.
CHARLOTTE, N. C.

How the Fox Industry Saved Itself

By LABERT ST. CLAIR

A NATIONAL trade association can be conducted successfully from a small and remote country town. The primary requisites are a program of unquestioned honesty and progress and officials unafraid to enforce organization policies.

These assertions have been proved conclusively in the silver fox industry of Canada. The affairs of this great business, representing a membership of 5,705 ranches in all parts of the Dominion, are well run from Summerside, Prince Edward Island, a hamlet of 3,000 persons.

Over a ten-year period the Canadian National Silver Fox Breeders' Association, operating from Summerside, has transferred the silver-fox industry from a shifty racket to a sound business. The Dominion Government now recognizes it as an integral part of its live stock industry. The declaration that fox ranching is the best regulated of Canadian Agricultural Department branches often is made and seemingly is well founded.

A well-to-do organization

THE Association itself is prosperous, owning its new three-story brick building and having \$250,000 surplus in its treasury. It finds many advantages in a rural headquarters location. Operating costs are especially low. Urban surroundings, officials declare, are not vital to the successful conduct of activities common to all associations, including banquets and fights. When banqueters recently became too numerous for Summerside hotels, the meeting was held in the local dirt-floored hockey rink, and an organization battle recently staged certainly could not have been improved by a metropolitan setting.

To appreciate fully the difficulties which founders of the Association have successfully surmounted, it is necessary to erect a brief background. The development of silver fox ranching is a story of hardship, avarice, crime, romance, poverty and fortune. Its trail runs from the remote Canadian wilds to the homes of the wealthiest and most socially

prominent people of the world. Actors who weave in and out of the picture range from ignorant Indian trappers to men of international business prominence.

Oddly enough, the actor who has profited most generally is the Prince Edward Island native who raises foxes, sometimes worth \$10,000 each, in his backyard, as the Iowa housewife raises a few hens on the side.

Where women scorn fox furs

NOR is the picture without comedy. For, like the barefooted shoemaker's wife, the Island women do not wear furs. During a recent visit, which extended from one end of the Island to the other, I did not see a single fox scarf being worn. An authority estimated the total number of silver fox scarfs on the island at "about 12, but make it 25 for good measure."

The reason for this situation is not that the Island husbands won't buy scarfs, but that wearing a fox pelt simply means nothing socially where foxes are so common.

The silver fox is a domesticated development of the wilds. Originally it was an occasional product of wild foxes, just as a black sheep occurs in flocks. No one, except Charles Dalton, of Tignish, Prince Edward Island, apparently ever thought of attempting to develop an exclusive silver strain.

He experimented for many years, buying foxes from Indians and other trappers, and finally, with the aid of Robert T. Oulton, in 1894, succeeded in raising the first litter of ranch-bred silver foxes ever brought to maturity. As a result of this pioneer work, Dalton was knighted and, with the title of Sir Charles, he today lives at Tignish, retired and wealthy.

Dalton experienced difficulty in perfecting a pelt containing no red fur. The genuine silver pelt which he finally produced is so individual that to date it has defied every attempt at imitation. The first demand in the London market, where Dalton really got his start, however, was not for a silver, but for a jet black fur. Pelts of this variety brought

him as high as \$1,500 each. Eventually, dyers learned to imitate these jet black furs so perfectly that today a genuine black pelt brings scarcely \$100.

Imitators never have been able to reproduce silver fox furs and that is why prices for them continue high. A real silver fox has hair about three inches long. For about two inches from the skin the hair is dark blue. Then there is about one-half of black, followed by about one-half inch of pure white and terminating in a black tip. The only way that this fur can be imitated is by treating each hair separately. That, of course, is too expensive to pay a profit.

Dalton and Oulton located their ranch on an inaccessible island. This fact, coupled with the closeness with which they guarded their secret, enabled them to profit handsomely with an almost exclusive market for several years. Finally their secret leaked out. At once there was a rush to get into the business. A delegation of wealthy men called on Dalton and begged to be let in on the ground floor.

"I saw what was coming," Dalton said, recently, "and after a brief consultation I came back to them and said, 'I will sell you 20 pairs of my selected foxes, my name and my good will, with a guarantee of 50 pups the first year, for \$500,000.' We were not long in closing the deal."

This trade was made in 1910. Once the foxes were out of Dalton's hands, promoters flocked into the business and the next ten years witnessed some highly discreditable transactions in the industry.

A bull market on Reynard

MERCHANTS, farmers, fishermen, business men, school teachers, clerks, promoters and crooks began organizing companies, many of which were of the worst blue-sky variety. Prices of foxes advanced from \$3,000 a pair to more than \$25,000 within three years. Some companies paid annual dividends of as high as 100 per cent. Responsible to no one, for there was no registration, the promoters flim-flammed investors right and left. Only the war, with the resultant

FLIGHT— NOW WITHIN REACH OF ALL

NEW IMPROVED 1930 GREAT LAKES SPORT TRAINER

WAS \$4990, NOW REDUCED TO

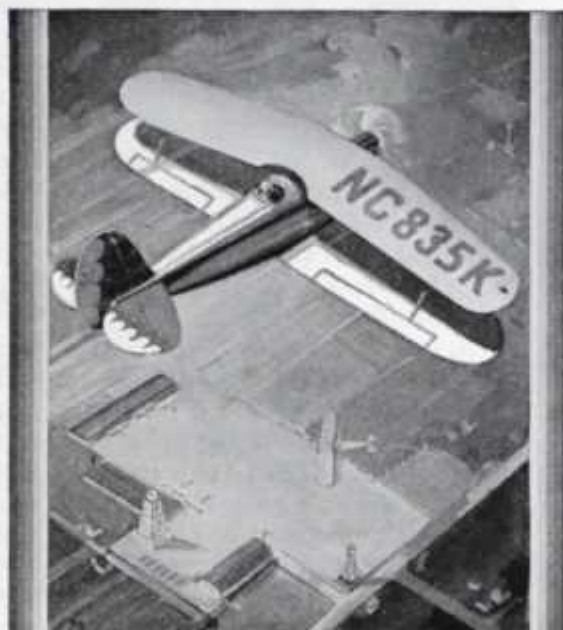
\$3150

Fly Away At Cleveland

GREAT LAKES announces a new, improved Sport-Trainer at drastically reduced prices. And a new program that makes flying as easy and inexpensive as motoring in a good car!

► The Sport-Trainer by Great Lakes is universally recognized as a leader in the *quality* class of two-place ships. It is fast; it is handsome; it is remarkably easy to handle. It is powered with the famous American Cirrus Motor—specially designed and constructed to meet American conditions. A snug, detachable coupe top makes the Sport-Trainer an all year ship; suitable alike for business, sport and dispatch flying. Operating costs compare favorably with those of a medium-priced car. Initial costs are so low that anyone who can afford a good car can afford to buy a Great Lakes Sport-Trainer.

► Everywhere in the United States, in Canada and in



Pan-America, Great Lakes Operating-Dealers are to be found. Experienced flyers, these competent men are now operating the leading and most reliable flying schools in their communities. They conduct established business concerns. They are ready to sell you a Great Lakes plane, service it at a fair rate, and teach you to fly!

► Great Lakes has swept aside the last obstacle to popular flight by

placing a quality plane within reach of almost everyone—by making it possible for you, through your Great Lakes dealer, to learn to fly! Get into the air—now—in a ship of your own—in a Great Lakes Sport-Trainer! Consult your local Great Lakes dealer, or write us direct.

► At many of America's 1500 widely scattered airports there are men measuring up to Great Lakes dealer standards who will be interested in our special brochure . . . Great Lakes Aircraft Corporation, 16750 St. Clair Ave., Cleveland, Ohio.

Manufactured under U. S. Department of Commerce Approved Type Certificate Number 228

GREAT LAKES
CORPORATION
Contractors to the United States



AIRCRAFT
CLEVELAND
Army and Navy

When writing to GREAT LAKES AIRCRAFT CORPORATION please mention Nation's Business



Better Drinking "Bubblers"

Regardless of the service—the R-S Drinking Fountain provides 100% bubbler efficiency with an added feature! The R-S Drinking Fountain has a Vertico-Slant feature which does not allow the water to fall back on the jet. Consequently every drink is a sanitary one. Send for catalog describing R-S fountains.

RUNDLE-SPENCE MFG. CO.
76 Fourth Ave., Milwaukee, Wis.

Babson Business Training for Your Son

Will your son develop quickly into a business executive or will you let him waste years in the "school of hard knocks" and possibly never reach success?

In nine months Babson Institute, by following business methods, can give him a thorough foundation for business leadership. Here he will learn not only the theories but receive a practical knowledge of Finance, Management, Production and Distribution.

Send for FREE Booklet

Write today for free booklet and find out how your son can learn the basic fundamentals of modern business.

Babson Institute, Div. 301 Babson Park, Mass.

IF YOU HAVE A FRIEND

who you think would enjoy, and profit from Nation's Business, why not send him a copy on trial . . . with no expense or obligation to either you or him? Just fill out the coupon and mail it to us.

Name

Address

City

State

slump in fur prices, checked the wild orgy of speculation.

At the close of the war the Island was strewn with the wreckage of unsuccessful fox ranches. Empty cages were widely in evidence. Foxes of poor quality were in the majority. Worst of all, the Island had acquired a bad name and the industry virtually was without friends.

At this point, four men, Peter C. Clark, E. H. Rainer, Norman McCloud and E. H. Momkley, who believed that the business could be put on a sound basis, organized the present Association. Clark was then and remained for ten years the strong man of the outfit. He is a squarely-built, blue-eyed contractor of Summerside. Almost everyone on the Island concedes that but for him there probably would be no reliable fox industry today.

He conceived putting the industry under government supervision, as it is now conducted, and spared neither friend nor foe in eliminating sharp practices throughout his active service. Recently, he retired from active connection with the Association, and while he left behind him a record of many hard-fought battles, he also left an unusually sound Association.

The first thing the organizers did was to go to Ottawa and try to induce the Dominion officials to recognize fox ranching as a legitimate part of the livestock industry. The initial reception was somewhat frigid. Gradually, however, opposition was broken down and the government consented to supervise the work of registration and issue pedigrees for foxes just as for other blooded live stock.

Registration movement spreads

BY THIS time the industry was spread throughout Canada and the question of bringing together ranchers to effect registration was a big one. Only about a thousand breeders registered their foxes the first year. By organizing a board with a representative from each province outside of Prince Edward Island and electing ten members-at-large, the Association was able to create local interest throughout Canada. Soon local contacts began to assert themselves and membership mounted rapidly.

After four years of strenuous effort, a closing date for registration of all foxes then in Canada was set. This brought practically all the ranchers into the Association. To remain on the outside meant that their stock would have no standing among buyers and their prices would suffer. Of course ranchers outside

the Association could continue to sell pelts, but the big money in the business does not come from the sale of hides. It is from breeding stock.

The outstanding feature of the Association work probably is the inspection service. Foxes are the only live stock recognized by the government which are inspected regularly. Fifty-five inspectors work out of the Summerside office. They contact with fox raisers four times a year. Each January 15, every rancher must record all foxes on hand. Inspectors check these records the next June 15. August 15, the inspectors identify all animals previously registered. October 10, they start visiting the 5,700 ranches.

Then they either pass, suspend or condemn all stock on hand. Animals that do not conform to the standard for registration are condemned, and marked for destruction. Suspended animals may be tested again after 12 months or submitted sooner to a second inspection at the cost of the owner. Dissatisfied members may appeal inspection to the full board.

Earmarks distinguish foxes

EVERY animal is clearly marked. Inspectors tattoo all pups in the right ear with the owner's registered letter, or letters, and in the left ear with a serial number and a designating year letter. The National Canadian Livestock Records Department issues pedigrees and the Minister of Agriculture signs them. Ranchers are permitted to keep only members of the silver fox strain on their ranches. Some ranches raise other types, notably the Alaskan fox, which is of a much larger variety, but they must have them on separate property.

Although the government began somewhat hesitantly to cooperate with fox ranchers, it now is whole-heartedly behind the business. An experimental fox station under the management of Enos Smith, formerly with the United States Government, is conducted at Summerside. He has given ranchers valuable aid in determining the effects of different kinds of feeding on the quality of pelts.

Smith is a genius in checking animal diseases. Years ago he saved Montana hog raisers a fortune by discovering a cure for an epidemic among their stock. Then, thanks to the liberal salaries paid by the United States Government, he laughingly explains, he had "difficulty getting home."

The marketing service is a distinctly helpful part of the Association's activities. It teaches members through illus-

trated booklets and personal contact how to prepare skins properly for final renovation. After the skins are received at Association headquarters, they are subjected to a treatment in which a certain type of Virginia sawdust plays a big part, and then sold. Last year, fur buyers came to the annual sale determined to cut prices. The Association, by virtue of its control of the Canadian output, succeeded in raising prices 25 per cent over the previous year.

Somewhere between 30 million dollars and 40 million dollars invested in 130,000 foxes represents the business in Canada today. Leaders declare they foresee a future even greater than the past which has resulted in so many fortunes. Walter S. Grant, who runs the telephone system in Charlottetown and owns 500 foxes, recently returned from a foreign trip in the interests of breeders. He declared that only the surface of sales possibilities has been scratched. The average price of breeding stock now is \$400 a pair and pelts bring from \$200 up. The manager of the Association, Basil S. Deacon, goes abroad regularly for market contacts.

Red foxes make ranchers blue

IN FUR stores in the United States one hears occasionally that there is danger of the cross-fox fur supplanting the silver fox. Canadian breeders laugh at this suggestion. They say the cross fox is an accident. Contrary to the general belief that it is a result of the mating of a red with a black fox, it comes from crossing a silver with an Alaskan fox. Crosses do not always result from such matings, however. Sometimes a red fox is thrown and then the rancher is very, very sad. For a red fox is not worth the cost of his food.

Should the silver fox industry, by any remote possibility, happen to fail, the Islanders will make out. They are a canny and careful lot, mostly Scotch. They have come far in money getting in recent years. Their seed potatoes bring fancy prices.

In the late fall trains on the Canadian National, the Island's only railroad, work night and day shifts to carry potatoes to boats bound for Cuban and United States points. Summer resort business is progressing fast, too. The climate is delightful and fish are plentiful. The mink industry, under leadership of Everett Ferguson, of Charlottetown, is picking up. A sure sign that prosperity is smiling on the Island is found in the return of many young men who, in recent years, deserted it for United States factories.

Executives are usually pretty shrewd judges of the relative importance of details. That's probably why so many of them specify Crane's Bond for their executive letterheads.

CRANE'S BOND

for Executive letterheads and envelopes

Crane's Bond is a 100% new white rag paper. Its crisp, distinctive sturdiness builds sound prestige and good will for you with every letter you send out. In view of this, doesn't a very slight extra cost seem pretty unimportant?

CRANE & CO., Inc.
DALTON, MASSACHUSETTS

When writing to CRANE & CO., INC. please mention Nation's Business

Good Business Needs Good Bridges

(Continued from page 33)

this controversy. Some hint of his real sentiment may be gathered from the fact that he related with considerable gusto how he induced the builders of the Hell Gate Bridge to cover the steel towers with masonry, adding greatly to the beauty of the structure.

Aesthetics of bridge-building

"IN Europe," he explains, "they carry the niceties and refinements further than we do. More attention is paid to the aesthetic qualities. The looks as well as the use of the structure is an important question. But they have little to show us in the way of engineering.

"American bridge-building is an outgrowth of big and peculiar problems. At first they were built in isolated places where the crossing of a transportation

barrier as soon as possible was the principal requirement.

"In Europe they do not have such vast rivers to bridge. Neither is it necessary to provide for such tremendous loads. You have seen the engines and cars of European railroads? Then you can imagine the difference in planning a span to carry such trains and designing one that will sustain our enormous locomotives and box cars as large almost as houses.

"An outstanding example on the other side is the bridge built by Sir Benjamin Baker over the Firth of Forth in Scotland. When it was finished he gave his board of directors a shock by announcing:

"Now you've got to keep it painted. Forty painters will have to be put to work on the steel and the gang will have to be kept there. You will have those 40

painters and their expenses on your hands from now on and forever."

"They are painting that bridge all the time. It has to be done to preserve the metal from the atmosphere. The complete job takes about three years. As soon as it is finished they start right in again. The same is true of all bridges. You will see painters at work all the time on the Brooklyn Bridge.

"It is dangerous labor—swinging on those cables at such a height—and the cost is heavy. But there's no dodging it.

"That same Sir Benjamin Baker showed me, in the 'nineties, plans for a bridge across the English Channel. Nothing came of it because of military objections and the enormous cost. A tunnel for this project is better anyhow. There would be the burdensome upkeep on a bridge that long—painting and so on. While it could easily be designed to withstand any storm, there would always be the danger of ships crashing into the towers."

What advantage have tunnels over bridges? Principally that they get traffic underground or underwater, out of sight and out of the way. They do not have the capacity of bridges. The difference in costs is small. Had he built any tunnels?

"I was one of the engineers for the construction of the Pennsylvania Railroad tubes under the Hudson River. They have a long and interesting story. Back in the late 'eighties Samuel Rea came to me with the problem of the Pennsylvania. The New York Central was able to bring passengers into the heart of New York. The Pennsylvania tracks stopped on the Jersey side.

A bridge long in plans

"WE AGREED that a Hudson River bridge was needed. Surveys were made showing it entirely feasible. Other railroads became interested. We got a charter from the Government and the War Department approved our plans. It took a long time but finally we were ready. Then came the panic of '93. Most of the interested railroads went into the hands of receivers and the Pennsylvania wasn't able to build the bridge alone. The need remained and the project never died. When Cassatt became president of the Pennsylvania in 1899 the fight for a Manhattan passenger terminal was renewed. The question now was



PHOTOS COURTESY OF PORT OF NEW YORK AUTHORITY
The concrete anchorage and the 635 foot tower at the New York end of the new Hudson River bridge

WOOD OFFICE FURNITURE
for Character
Economy
Comfort
Efficiency

*Your office furniture dealer
will gladly assist you in
planning your office
in wood!*

*Send for the free booklet "Planning the Modern Office
in Wood"—a wealth of facts and valuable information,
fully illustrated*

WOOD OFFICE FURNITURE ASSOCIATES, INC.
Dept. 35

Graybar Building, New York City

Gentlemen: Please send me the free booklet, "Planning the Modern
Office in Wood."

Name _____

Address _____

City _____

State _____

WOOD OFFICE FURNITURE ASSOCIATES, INC.

For Stockroom and Warehouse

STORING, CONVEYING & HAULING



the preference of superintendents and managers is for

Leatheroid RECEPTACLES

WITH operation depending upon the continuous movement of merchandise from stockroom and warehouse, no factor that speeds up this routine can be ignored.

LEATHEROID Trucks, Barrels and Boxes are light, easily handled yet sturdy, with strength to thwart overloading. They will not chip, crack or splinter.

Large LEATHEROID Trucks for conveying in the stockroom and warehouse; small trucks for store use in distributing to counters. The latter equipped with rubber tired casters, turn in a short area, fit into elevators, and roll behind counters.

ROGERS FIBRE COMPANY—210 Lincoln St., Boston, Mass.

NEW YORK • PHILADELPHIA • CHICAGO • CLEVELAND • SPARTANBURG, S. C.

Wt. these receptacles are from standard sizes (measured in clear) moulded or shaped fibre in quantity for any purpose for handling material in any type of building. See file, can, truck or receptacle. Our engineering department is at your service.

Boxes and Barrels for stockroom and warehouse use occupy minimum of floor or shelf space. Send for catalog.

a bridge or tunnels. At a final conference Cassatt swung around and said,

"I'm going to build tunnels."

"That ended the argument. Tunnels were built. They are now carrying almost their capacity. We had planned a bridge of ten railroad tracks. One big enough for the future. We've kept the charter alive and some day that bridge will be built. I hope I shall see it. Of the 17 men who originally sought that charter I am the only one still living."

Isn't it true that in some cases tunnels in this country would be preferable to bridge spans?

"Oh, yes. One example is the proposed bridge across The Narrows between Staten Island and Brooklyn. That bridge would require a center span of 4,500 feet. The tremendous cost of such a structure is hardly justified at this point. A tunnel would be better. But there is one place in this country where such a bridge is justified and should be built."

Where is that?

"A monumental structure"

"ACROSS the Golden Gate at San Francisco. Here is an opportunity for a monumental structure that travelers would make long journeys to see. The site is magnificent and the span would be no longer than the proposed bridge over The Narrows—4,500 feet. There are high points on both sides simplifying the problem of approaches. Nowhere in the world is there a location with such unique and dramatic possibilities. Some day I hope that suggestion will be a reality and I hope I may have a part in the planning.

"And now—in our age—is the time to build such huge structures. Materials are plentiful. We have iron, ore, coal, oil. But most people do not realize that there never will be an age like ours again—never. The era that created the coal beds can not be repeated. When it is used up our coal is finished. The same is true of iron. Oil is fast being exhausted. These important resources are all on the surface of our earth. When they are gone there will be no more."

He had made no mention of concrete bridges. With the extension of hard roads these structures were multiplying. Were they the equal of metal?

"Concrete! That makes the most beautiful bridges of all. If they are properly designed and the concrete correctly mixed, they outlast any others. Their upkeep is nothing. On the Pennsylvania lines we replace steel with concrete wherever possible. But of course it cannot be used in long spans."

IN THE JUNE NATION'S BUSINESS

HENRY FORD

discusses the industrial possibilities of Soviet Russia. He sees little danger of the Soviet doing harm to the rest of the world. The Russians are hard at work building up their own country and people who work have no time for destructive mischief, observes the Detroit protagonist of a high wage theory.



The Machine Replies To Its Critics

MUCH is said and written about "technological unemployment," and there are other phrases to catalog all the various kinds of joblessness. In a land where the metallic hand of the machine does so many intricate chores it is only natural, perhaps, that the mechanization of industry should seem to operate toward a surplus of labor.

Plausible as the case against the machine may seem by its increased use in industry, it is easy for the alarm of the tender-minded to outrun the realities—a point the organized machine tool builders have made by putting a timely and pertinent question:

"If the introduction of improved machinery has been so rapid as to cause all the misery imputed to it," they say, "how is it that we have found such difficulty in selling our products?"

To illustrate how hard it is to sell machinery they direct attention to a survey made in 1926 by the *American Machinist*. That survey, covering several thousand plants using machine tools, showed that 44 per cent of all the machine tools in use in those plants January 1, 1926, were more than ten years old.

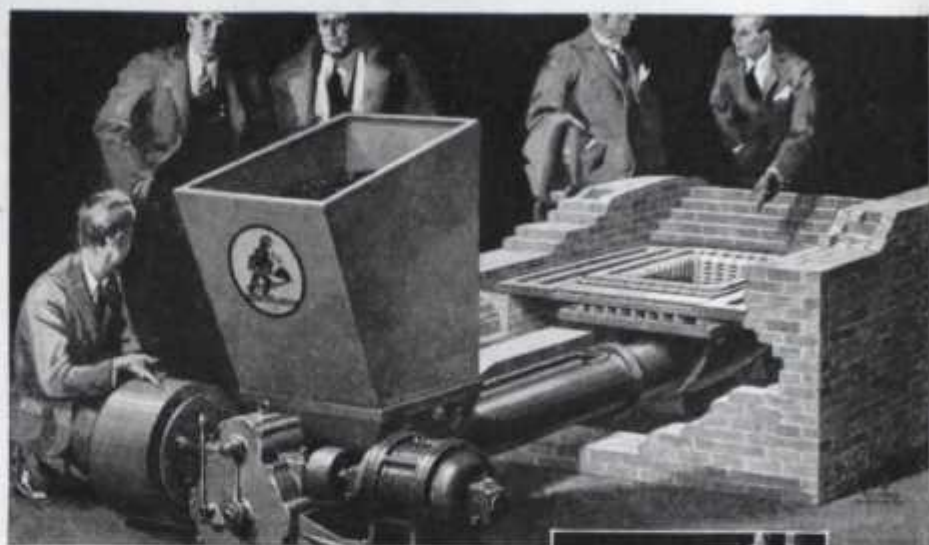
Autos are made most efficiently

AS WOULD be expected, the automobile industry had a decidedly lower percentage of old machines than the average run of all the other groups. The newer the industry, the newer the tools and equipment, of course, but the survey notes a more decisive reason for this distinction of the automobile makers—"they have shown themselves to be much more progressive than other groups of users in discarding obsolete machines long before they wore out."

The fruit of that policy, as seen by the National Association of Machine Tool Builders, was the reduced cost of manufacturing automobiles, with consequent lower prices to the consumer—a practice that widened the market and resulted in a national demand for better roads, garages, filling stations, and accommodations for long-distance touring.

Instead of increasing unemployment, the machinery men contend, the improved machines did just the reverse, for they created whole new industries with numerous and diversified opportunities for employment.

IRON FIREMAN announces 15 Bulletins on Automatic Coal Firing



Iron Fireman achieves 4 big results: (1) Cuts fuel costs (users' savings average more than 30 per cent). (2) Saves labor costs over hand firing. (3) Automatically maintains steady, even heat or pressure. (4) Prevents smoke.



Iron Fireman non-agitated forced underfiring now used by practically every type of industry, building or residence

IRON FIREMAN announces a series of special bulletins on automatic coal firing which will be mailed free upon request. These bulletins explain the application of Iron Fireman *non-agitated forced underfiring*; describe its operation and cite examples of Iron Fireman performance in these particular types of installations:

1. Apartments and Hotels
2. Churches
3. Club and Lodge Buildings
4. Dairies and Ice Cream Plants
5. Garages and Hangars
6. Government Buildings
7. Greenhouses
8. Homes
9. Hospitals and Charitable Institutions
10. Laundries and Dry Cleaners
11. Manufacturing Plants
12. Office and Store Buildings
13. Parochial Schools
14. Schools and Colleges
15. Theatres and Auditoriums

Iron Fireman delivers greatly improved heating service in almost every conceivable type of firing job. Iron Fireman burns smaller sizes of coal, which are far cheaper. It also burns less coal. Iron Fireman, through its principle of *non-agitated forced underfiring*, feeds coal to the fire at exactly the same speed as the fire consumes it. There is no agitation, no smoke—a clear, bright flame—and a firebox temperature 500 to 1000 degrees hotter than hand firing. Users' figures, supplied by them, show average annual fuel bill savings in excess of 30 per cent.

Write direct to the Iron Fireman Manufacturing Company, Portland, Oregon. Branches in Cleveland - St. Louis - Chicago - New York. Dealers in principal cities throughout the United States and Canada.

IRON FIREMAN
AUTOMATIC COAL BURNER

...the machine
that made coal
an automatic fuel



When writing to IRON FIREMAN MANUFACTURING COMPANY please mention *Nation's Business*

BANKERS TO INDUSTRY EVERYWHERE



CONSTRUCTION... A Perpetual Industry

A progressive people will always need new buildings to live and work in, new conduits to bring utilities, new streets and roads on which to travel.

For highway improvement alone this year our states and counties plan to spend a quarter of a billion dollars more than in 1929.

Much of the country's construction work is carried on by local builders and contractors who use the time payment plan to purchase needed equipment. Thus construction is another of the country's great industries which the C. I. T. organization serves.

Steam shovels, cranes, concrete mixers, tractors, gas engines, etc., are widely sold on long term credit and sales financed by C. I. T. companies.

To manufacturers of these and similar types of equipment, C. I. T. offers a dependable source of

long term funds plus the special advantages of a nation-wide system of local offices equipped to give service at close range in matters of credit information and collections.

C. I. T. is the largest independent financing institution. It cooperates with merchants and manufacturers in financing credit sales of aircraft, automobiles, machinery, radios, commercial equipment, household appliances and many other products.

Subsidiary and Affiliated Operating Companies with Head Offices in New York • Chicago • San Francisco • Toronto • London • Berlin • Paris • Brussels • Copenhagen • Havana • San Juan, P. R. • Buenos Aires • Sao Paulo • Sydney, Australia • Offices in more than 150 cities.

**COMMERCIAL INVESTMENT TRUST
CORPORATION**

Executive Offices

One Park Ave., New York

CAPITAL AND SURPLUS OVER \$100,000,000

When writing to COMMERCIAL INVESTMENT TRUST CORPORATION please mention Nation's Business

What Wall Street Is Talking About

By MERRYLE STANLEY RUKEYSER

A PART from the transient deceit of manipulators, which is quickly washed out, men speak with great sincerity at the market place. Irrespective of what they may tell reporters, they reveal their inner thoughts by their purchases and sales of securities. Frequently the ticker foretells events because it reflects the decisions of the collective financial mind.

Since December, apart from minor fluctuations, the message from the New York Stock Exchange has been to the effect that regenerative economic forces were at work beneath the surface. The ticker has kept warning the sophisticated not to be unduly swayed by immediately visible adverse business news which had been fully discounted. It has articulated the sense of financiers that in the reconstruction of prosperity which lies ahead the dominant, superlatively managed corporations in favored industries would be the chief beneficiaries.

As before the depression, the market has continued highly selective, indicating that the great investment institutions and wealthy individuals still favor the type of grade A stocks of which they were previously enamored. There has been a disposition to single out companies and industries which prosper in spite of trade recession. Accordingly, the motion picture companies, which have been experiencing a boom in earnings in the midst of economic transition, have been favored. Office equipment companies and makers of electrical supplies have been favored, because of buoyant trade conditions. On the other hand, merchandising stocks have lost their glamor, because of the failure of the great chains and department stores to continue the rate of growth which enthusiastic speculators had sought to discount.

Frequently the stock market has been misleading as a prophet of the immediate future. The strength since December has been largely technical, and has been stimulated by the progressive decline in interest rates. Other things being equal, stocks on a given dividend yield basis become more attractive as

the general level of interest rates, which measures the earning power of capital, declines. In percentages, the stock market averages, according to one typical barometer, rose nearly five per cent in March, and 16 per cent from the low point in January. Though $23\frac{1}{2}$ per cent below the September peak, the averages at the beginning of spring were precisely where they had been a year ago.

It has been recalled that in 1915, 1921, and 1924, the stock market recovery ran considerably before the business comeback, yet it correctly foretold the future of trade. Since the turn of this year, the stock market has been telling business executives to have courage, and to go forward prudently.

CURIOSLY enough, the Federal Reserve Board, which between 1927 and 1929 played the rôle of a restraining hand, has of late been giving business the tip to be more venturesome. In a recent speech, Roy A. Young, governor

of the Board, said: "It seems to me that others should have more initiative and less hesitancy, and I feel justified in making that appeal to the American people feeling confident that the experience of 1928 and 1929 will be fresh enough in our minds to preclude any immediate recurrence of such speculative hysteria as we had at that time."

IN RECENT years, business has been turning increasingly to art. Even the staid old-fashioned Wall Street investment houses have enormously improved the typography of their advertising. Some of the more progressive industrial corporations have been making valiant efforts to strike out along novel lines in their annual reports. The United Aircraft & Transport Corporation has set a new high mark in its first annual report, which is beautifully printed and illustrated with color.

Instead of regarding the report as a conventional necessary accounting evil,



LEON FRASER

★
EXPERIENCE as general counsel for the Dawes Plan fitted Leon Fraser, of New York, for his new post as an American director of the Bank for International Settlements. He has been closely connected with conferences on reparations questions

Frederick B. Rentschler, president, a brother of Gordon Rentschler, president of the National City Bank of New York, has used the occasion to give the stockholders pertinent data about the present status and future prospects of their property. Instead of putting out a drab document, which conceals information, Mr. Rentschler has put out a selling instrument, which recognizes the right of owners to know what they have.

CLARENCE M. WOOLLEY, chairman of the American Radiator and Standard Sanitary Corporation, who participated in the major industrial conference at the White House last November, implies that the stabilization efforts were started somewhat late. He believes that the prolonged slump in the building trade long before the Wall Street depression foretold what bankers and industrial managers had a right to expect.

"So actively does a decline in building activity precede a decline in general business," Mr. Woolley pointed out, "that if used as a signal for prompt application of preventive measures in banking procedures, we are persuaded that much might be done to minimize or even avoid those conditions which lead to panics and the business depressions which inevitably follow."

In sketching the history of the collapse of the recent building boom, Mr. Woolley pointed out:

"During January, February, and March, 1929, building activity began to decline, especially in residential construction. During each month thereafter the decline was greater and by the first of August, had reached large proportions. For the last quarter of the year the drop was severe. Contracts for new residential buildings fell off 40 to 50 per cent during that quarter.

"Public enthusiasm for speculation absorbed so much credit that, beginning in August, 1929, it was almost impossible for builders or those contemplating building to obtain mortgage money.

"While the building industry during these months immediately felt the effect of high interest rates, other important industries did not feel the full effects until just before, in some cases and in other cases, not until after, the November depression.

"These developments ran true to historical form. Advancing in-

terest rates precede business depressions. The building industry is the first to feel the adverse effect because its operations are based largely on the sale of mortgage securities. This is especially characteristic of the larger aggregate of new construction represented by residential buildings.

"High interest rates and tight credit conditions largely curtail, if they do not entirely stop, the demand for such mortgage securities, with the inevitable result of unemployment in the building trade and makers of building materials. The adverse effect upon other industries and general commercial activity is not felt until from eight to ten months after the building trade begins to decline, finally forcing general business to lower levels."

ANOTHER characteristic attempt is being made in New York State to mobilize law in behalf of virtue and ethics. The Attorney General has asked the legislature to amend the general business laws in relation to the licensing and regulating of brokers. Other states have

required such licenses and experience shows that they have proved no panacea. The uninformed security buyer is likely to think that the state stands behind the representations of the licensed broker. The proponents of the proposed law have provided that cards of licensed brokers clearly state:

"Neither this department or any officer of this state recommends the purchase of any securities offered by the holder of this card or assumes any responsibility for any statements or representations made by him."

Doubtless unscrupulous salesmen in capitalizing the sanction given by the state will tend to hold their finger over this qualifying clause in showing the card to prospects.

In commenting on the proposed law, H. J. Kenner, general manager of the Better Business Bureau of New York City and a distinguished fraud fighter, said:

"I learned Attorney General Hamilton Ward voiced the opinion that the Martin Act—the present law against fraudulent practices in the sale of securities—is a weak instrument.

"I hold a contrary opinion based on some 15 years' actual experience combating financial frauds, ten of it spent within this state. It is my judgment that the Martin Act, continuously enforced with vigor and with adequate and competent personnel, is a strong instrument in the prevention of fraud and in the protection of the public.

"While there appear to be advantages for the licensing system, it has been my experience in both the securities field and in other business, that the use of licensing to regulate the conduct of firms and individuals and to prevent malpractice, is by no means so effective in the long run as the fraud type of statute. This is distinctly true in respect to conditions in our city and state.

"I know of a number of important states where the licensing system is in effect, where despite the law and its attempted enforcement, fraudulent practices and stock swindling go on in appreciable and in destructive volume.

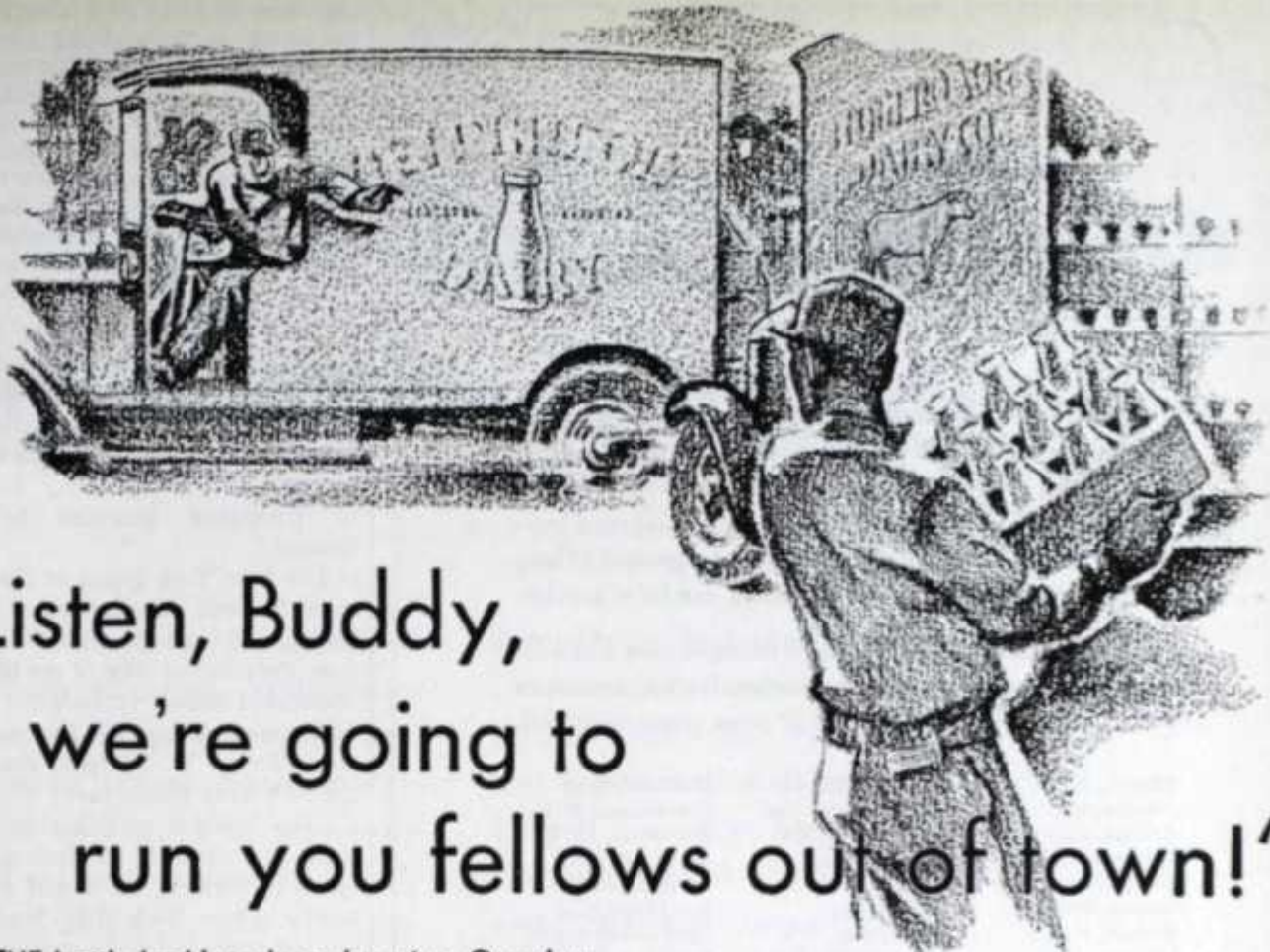
"I believe the following are sound objections to the licensing of dealers and salesmen:

1. Inescapably, licensing will confer a state privilege on potential swindlers and fraudulent operators who will be able to operate under state sanction for periods during which great damage can be done.

2. It gives the state badge of 'competency and fitness' to shrewd vendors who keep within the law but do not transact business 'on the level.' It is true that such vendors may carry on under the present law, but under the licensing system they may em-



Drawing of the new Bank of the Manhattan Co. Building in Wall Street



"Listen, Buddy, we're going to run you fellows out of town!"

THE battle had long been brewing. One day the ABC Company sent its wagons openly into XYZ Company territory. Then it was war, both companies selling their product far below actual cost.

No sense in it, of course! XYZ had for years been serving its customers well. Its price had always been fair... but the rival concern had been bitten by the bug of ambition.

The fight went on for weeks—both sides losing money. Then, suddenly, for no apparent reason, the invaders called all wagons out of the coveted territory.

After a time the story came out: ABC Company had learned that XYZ was "knocking the lid off a war chest"—a reserve of sound bonds

that had been built up over a period of ten years or more, and which could be turned into cash as fast as the money was needed.

Not a dollar of the reserve was actually spent. ABC merely heard of it on good authority!

A well-designed reserve of sound bonds has a strategic as well as a protective value in the financial management of commercial and industrial companies. We are always glad to discuss the problem of reserves and their investment with responsible officials. Such discussions, of course, involve no obligation.

Our booklet, "Business Reserves," will be sent on request.

HALSEY, STUART & CO.

INCORPORATED

CHICAGO, 201 South La Salle Street NEW YORK, 35 Wall Street

AND OTHER PRINCIPAL CITIES

THE PROGRAM
THAT DOES MORE
THAN
ENTERTAIN

Every Wednesday evening...
Increase your knowledge of
sound investment by listening
to the Old Counsellor on the
Halsey, Stuart & Co. Program.



Broadcast over a Coast
to Coast network of 37
stations associated with
the National Broadcast-
ing Co. Orchestral music.

8 P. M. Eastern Standard Time
7 P. M. Central Standard Time
6 P. M. Mountain Standard Time
5 P. M. Pacific Standard Time
Daylight Saving Time
one hour later

B O N D S T O F I T T H E I N V E S T O R

When writing to Halsey, Stuart & Co., Inc. please mention *Nation's Business*

SUITABLE INVESTMENTS *for* Individual Needs

The problem of each individual investor is to select, from the many and varied offerings of new securities, those best suited to his own requirements. In this selection The National City Company with its wide-spread buying and distributing organization, its background of long experience, and its financial resources, can be of service.

In America, National City offices in important financial centers, interconnected with the head office and with each other by private wire, are at your convenient call.

Albany, N. Y.	Indianapolis, Ind.	Portland, Ore.
Atlanta, Ga.	Kansas City, Mo.	Providence, R. I.
Atlantic City, N. J.	Los Angeles, Cal.	Rochester, N. Y.
Baltimore, Md.	Louisville, Ky.	St. Louis, Mo.
Birmingham, Ala.	Memphis, Tenn.	St. Paul, Minn.
Boston, Mass.	Miami, Fla.	San Diego, Cal.
Buffalo, N. Y.	Milwaukee, Wis.	San Francisco, Cal.
Chicago, Ill.	Minneapolis, Minn.	Scranton, Pa.
Cincinnati, Ohio	Newark, N. J.	Seattle, Wash.
Cleveland, Ohio	New Orleans, La.	Spokane, Wash.
Dallas, Texas	Oakland, Cal.	Tacoma, Wash.
Davenport, Iowa	Omaha, Neb.	Toledo, Ohio
Denver, Colo.	Pasadena, Cal.	Washington, D. C.
Detroit, Mich.	Philadelphia, Pa.	Wilkes-Barre, Pa.
Hartford, Conn.	Pittsburgh, Pa.	Montreal, Canada
Houston, Texas	Portland, Me.	Toronto, Canada

The National City Company

National City Bank Building, New York

INVESTMENT SECURITIES



ploy sharp practices while always wearing the mantle of respectability provided by the state. This means unfair competition for legitimate business and a risk for unwary citizens.

3. A license by the state creates in the minds of the citizens, in many instances, a false sense of safety. If the state's confidence in a vendor has been misplaced the citizen may waken to find his confidence betrayed and his savings gone.

"Whatever selfish benefits licensing may confer on licensees who desire to be licensed, the theory that such laws prevent fraud and protect the public does not, in my opinion, work out in practice. In our city today are plenty of fraudulent practices by those licensed."

The New York group of the Investment Bankers Association of America looking at the proposed legislation from the point of view of the legitimate investment banker opposes the Hickey-Gimbrone licensing bill. In a memorandum, George W. Morgan, counsel for the New York group, says:

"The business of financing security issues and the open purchasing of such issues is, perhaps, the largest single industry in New York State. Stock transfers last year yielded the state more than 40 million dollars in taxes. The income taxes paid to the state based on net profits derived from underwriting and marketing securities, undoubtedly yielded a much larger sum than the stock transfer taxes.

"The New York group of the Investment Bankers Association of America, who are vitally interested that honor shall prevail in the securities-selling field, believe it is highly important that the state be kept open as a free market for securities; that any type of security, whether highly speculative or otherwise, should be freely sold so long as its nature is not misrepresented or concealed in any respect; that where there is any misrepresentation or concealment in the sale of securities, however high the grade of the securities sold, the state should have the power to act summarily. This is accomplished under the Martin Act. A licensing statute would not add to the benefits which the organized group of securities vendors believe accrue to honest securities trading from existing statutes developed through years of experience but would be detrimental to the maintenance of such free market and would increase fraud rather than diminish it."

WHO are the ten key men of American business? Edward A. Filene in the

Lithographed Letterheads

\$1.25 PER 1000 COMPLETE
IN LOTS OF 50,000
25,000 at \$1.50—12,500 at \$1.75—6,250
at \$2.25 or 3,125 at \$3.25 per 1000
Prices include Paper and Delivery in
Greater New York

**ON OUR 20 LB. WHITE
PARAMOUNT BOND**
A Beautiful, Strong, Snappy Sheet
ENGRAVINGS AT ACTUAL COST
GEO. MORRISON COMPANY
550 West 22nd Street, New York City
SEND FOR BOOKLET OF PAPER AND ENGRAVINGS



CINCINNATI Time Recorders and Job Clocks

Over 32 years the choice of thousands of leading organizations. More than 50 models. Factory branches in principal cities.

**The Cincinnati
Time Recorder Co.**
Dept. N, York and Central Ave.
Est. 1896 Cincinnati, O.

Cincinnati Time Systems Are Entirely Automatic. Plug into any A. C. Socket.
This advertisement appears regularly in leading magazines to keep the name of this Company before you. Write for information.



The strength of wide diversification

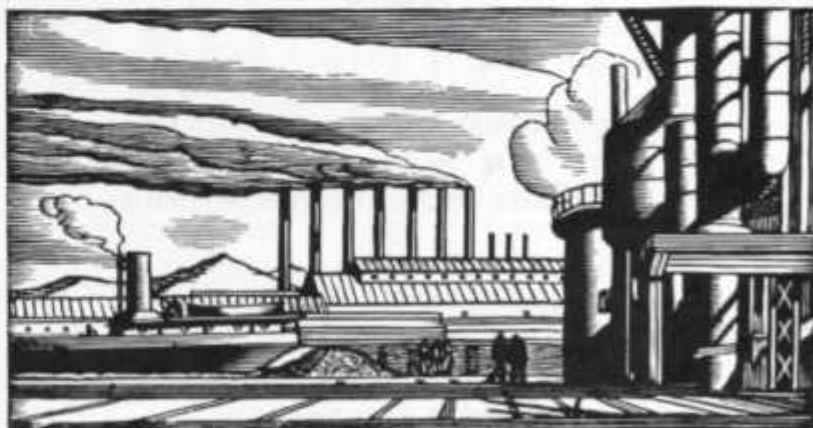
WIDE diversification of investments contributes to safety of principal and stability of income. Such employment of capital in numerous and varied investments is only practicable with relatively large funds. Many investors are availing themselves of the facilities of well established investment companies for the distribution of risk in this way.

For years the American Founders group of investment companies has been diversifying its funds among bonds, preferred stocks and common stocks, and among securities representative of many types of business, domestic and foreign. United Founders Corporation,

through its large stock interest in American Founders Corporation, shares the strength of this diversification. In addition, United Founders has substantial holdings in public utility and other important fields.

United Founders Corporation is owned by more than 60,000 stockholders.

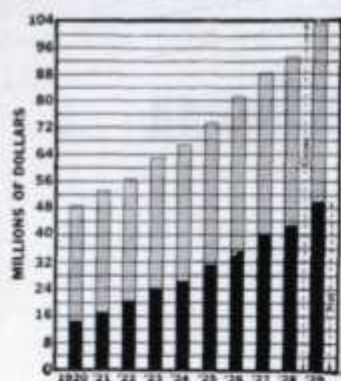
DECORATIONS BY ROCKWELL KENT • CUT IN WOOD BY J. J. LANKES



UNITED FOUNDERS CORPORATION

The Largest Earnings In ASSOCIATED SYSTEM History

Gross and Net Earnings



Write for our new
illustrated booklet ES on the
Class A Stock

SURELY and steadily Associated Gas and Electric System gross and net earnings grow—a result of the usefulness and value of the service rendered.

Significant of Associated System stability were the earnings for the month of December, 1929. While other industries reported declines, the Associated System continued its forward movement with earnings 7% greater than for the same month of 1928.

Associated Gas and Electric Company

61 Broadway



New York



Underwriters and Distributors of
Government, Municipal, Railroad,
Public Utility and Industrial Securities

Investment and Brokerage Service

Members New York and
other leading Stock Exchanges

OTIS & CO.

Established 1899

NEW YORK CLEVELAND CHICAGO

Offices in twenty-eight cities

North American Review proposes the following candidates for the blue ribbon:

Henry Ford, Owen D. Young, Julius Rosenwald, Amadeo P. Giannini, Jesse Isidor Straus, Thomas W. Lamont, Daniel Willard, Thomas A. Edison, Charles F. Kettering and Herbert Hoover.

ARTHUR J. MORRIS, president of the Industrial Finance Corporation, and originator of the chain of banks which bear his name, thinks that the barriers to renewed prosperity could be removed if the Federal Reserve would make instalment paper eligible for rediscount.

"The biggest single step which the Administration can take," he told me, "to assist in reducing unemployment is to have the Federal Reserve Board complete ways of making conservatively created instalment paper, under proper restrictions, eligible for rediscount by Federal Reserve Banks. By such a move the Federal Reserve Bank will authentically tell the world and the banking fraternity that it recognizes that instalment buying and instalment paper arising therefrom have become a necessary part of modern commerce and must be, under proper restrictions, properly encouraged to do their part in contributing to the permanency of mass buying power, mass consumption and mass production.

"The decrease in demand for instalment credit for the purchase of the usual necessary articles of domestic use is discouraging and manifests a falling off in the buying power of the masses.

"The only panacea for nation-wide unemployment is to continue mass production. Where production flourishes unemployment does not exist. Therefore, to insure mass production, we must have mass consumption; and mass consumption is impossible without instalment buying.

"I wish I had the power and knew the means of making this clear to the administrative, financial and industrial interests. If the average bank had had the same 20 years' experience that we have acquired developing industrial banking, it would know that, under proper management and pursuant to conservative policies, instalment financing is as safe as any form of commercial banking which the past 50 years has produced.

"Notwithstanding, however, the leading commercial banks still hesitate to encourage instalment buying.

The conditions actually threaten

the early recovery of business prosperity in this country. In the absence of measures which will make possible the further development of instalment financing prompt restoration of mass production and general employment is impossible."

THE recent period of extensive unemployment served as a laboratory for the instalment plan of financing consumption. Although somewhat strained, the better companies have come through in good condition. Their experience has belied the pessimistic predictions of critics of this new form of credit instrument.

The president of one of the best managed automobile finance companies told me:

"We can say that the purchaser, generally speaking, has performed in rather good fashion, but the dealer hasn't done so well. However, there are definite signs of improvement and as the spring opens up, the dealer should become more active and be able to reduce his indebtedness to us to a proper level.

"My opinion is that general business is daily gathering confidence. Instalment selling is again proving its economic soundness and liquidity."

Data not intended for publication indicated an increase in delinquencies in meeting payments averaging about one-sixth higher than a year ago.

PRESIDENT HOOVER has felt that a helpful way to generate forces making for prosperity would be to stimulate the building of individual homes in which there has been a marked slump in recent months. I felt that one way to do this would be to get the great industrial corporations which supply building materials to form a central financing company to provide second mortgage money. Several outstanding corporations including General Electric Co. and Bethlehem Steel Corporation already have plans for financing the homebuilding of their own employees.

I have recently canvassed sentiment among the great institutional money lenders, the life insurance companies and mutual savings banks, concerning the prospects of a change in the building situation. Fearing that the country is overbuilt in some directions, many institutional lenders are still in an extremely conservative mood, but the decline in interest rates is a factor making for greater eagerness to get good mortgages.

On the optimistic side of the ledger

What Return

on your investments

can you reasonably expect?

From capital invested in bonds or mortgages, the investor has a right to expect a definite, fixed and prior return. That return is ordinarily reflected by current interest rates. On capital invested in common stocks, his return is based on different factors. He is a partner in the business in which the stock represents an ownership.

Normally, the business man does not expect his business to perform miracles over a short period. The investor who buys into a business through an investment in its common stock should take the same attitude. It takes time for growth to take place and returns must, therefore, be measured over a period.

The large rewards of common stock investment have always gone to those who have bought into sound situations and stayed with them. That is buying on an investment basis. The record is full of evidence that such an attitude is the most profitable one.

A. G. Becker & Co.

Sound Securities for Investment

54 PINE STREET, NEW YORK • 100 SOUTH LA SALLE STREET, CHICAGO

Are You Close Enough To The Big St. Louis Market?

1st
NATIONAL BANK
- IN ST. LOUIS

ST. LOUIS' LARGEST BANK

NATION WIDE SERVICE

60 DIRECTORS

60 OFFICERS

COMPLETE FINANCIAL FACILITIES

As a national manufacturer, do you realize the great possibilities in the big St. Louis market; or, as a national distributor, have you overlooked the fact that St. Louis is the distribution center of a large section of the entire Country?... We want you to know the First National Bank, St. Louis' largest bank, invites not only the consideration of a St. Louis financial connection, but the consideration of experienced co-operation in all matters pertaining to the great market in St. Louis and surrounding territory.

FIRST NATIONAL BANK ST. LOUIS' LARGEST BANK

should be placed the statement of George I. Cochran, president of the Pacific Mutual Life Insurance Company, of Los Angeles, who wrote me:

"I think there is a reasonable basis for an increase in the building trade during the year. It ought to reach normal."

Likewise Victor A. Lersner, president of the Bowery Savings Bank, in New York City, said:

"It would appear that building will advance some within the reasonably near future, due to the belief, that in most sections of the metropolitan area demand and supply have closely crossed each other."

Nicholas Roberts, president of S. W. Straus & Company, investment bankers who recently specialized in the real estate field, said:

"We feel there is a sound economic basis for a revival in construction this year. Chief among the reasons for this is the fact that building operations have been on the decline since the peak year of 1925, and surpluses of certain types of structures in certain localities are steadily being absorbed. With the added stimulus of cheap money and with underlying conditions in business remaining fundamentally healthy, we believe the outlook is favorable. Including all types of building and construction we would not be surprised if 1930 would end up ahead of 1929. In making this estimate I wish to emphasize that I have in mind all types of construction such as public works and engineering projects, as well as buildings."

ON THE other side of the ledger is the attitude of the lending officers of many large institutions which expresses itself in tendencies to scrutinize the request for loans with unusual care in the belief that overbuilding has made new loans more hazardous.

For example, Lester E. Wurfel, in charge of mortgage loan operations of the Prudential Insurance Company of America, informed me:

"Overbuilding of any type of property in any location would act as a semaphore to this Company in excluding those types until a stable position was maintained. Too much encouragement to the speculative builder on types of building already built in a given locality only serves to depreciate to a considerable extent the value of the buildings previously erected. For instance, Philadelphia is now undergoing a severe strain and most of the recognized lending agencies have almost



Graffco PRODUCTS

"lighten
office
cares"

Graffco MAPTACKS For use with Maps and Charts to visualize important business information.

Graffco VISE CLIPS Neater, stronger paper clips which prevent papers slipping in any direction. 3 sizes.

Graffco VISE SIGNALS For use with Card Files. They summarize information and attract instant attention. Plated spring steel, 2 sizes, 12 colors.

At your dealers, or write

GEORGE B. GRAFF COMPANY
80 Washburn Ave. Cambridge, Mass.

Bound Papers are Safe Papers!

ACCO FASTENERS protect important correspondence, orders, follow-up records, etc., against misfiling and loss, saving valuable reference time.

The inexpensive ACCO FASTENER, (two prongs on a broad base, with a lock compressor) firmly binds papers temporarily or permanently. Can be used wherever papers are filed. The first filing is the last!

Write for sample, giving dealer's name
AMERICAN CLIP CO.
Long Island City, N. Y.
Acco Canadian Co. Ltd., Toronto

ACCO FASTENERS

completely shut down on loans on row residences. This has kept the building operators from new building. Building permits in Philadelphia, as a result, have shown a most astounding decline during the past year. This is the salvation of the situation in Philadelphia.

"The normal increase in population and the normal necessity for new building units will, we believe, absorb the buildings already erected and go a long way to remedy the situation.

"From our point of view we do not anticipate any definite revival in the building trade during the current year and I do not, therefore, think that there is any sound economic basis for any such revival. I believe this year will be one of material adjustment and that the various agencies and instrumentalities which are necessary parties in and to any revival will be marking time and feeling their way. I believe that the distinct lull in activities throughout the country forecasts a readjustment in the mortgage market on a sound basis, as against that condition which existed about two years ago.

"I do feel that, although interest rates in some quarters were abnormally high, the lenders encouraged financing which had no reason except perhaps to obtain high interest rates and large bonuses. The result has proven that a mortgage investment business must be conducted on the same sound basis and high plane as any other sound business and that any attempt to step beyond reason is sure to spell disaster."

GRAHAM R. HOLLY, superintendent, bond and mortgage department of the Home Life Insurance Company of New York, said:

"Building construction in the final analysis must be governed by the law of supply and demand. A survey of conditions throughout the country seems to indicate that there is no shortage and that no 'building boom' is necessary or desirable.

"As far as the life insurance companies are concerned I believe construction loans will be scrutinized carefully. I do not believe a speculative builder should be encouraged, but where there is a definite demand by a home owner, the life insurance funds will be available as they always have been."

The head of one of the principal life insurance companies in the East said:

"I am not a prophet as to the future of building. I think it has been overdone in many sections and I should expect any marked change to wait on growth of population and genuine demand."

COMPLETED

THE MANHATTAN
COMPANY BUILDING
40 WALL STREET, NEW YORK

An undertaking conceived and financed by
G. L. OHRSTROM & CO.
AND ASSOCIATES



STARRETT SECURITIES

SHARE IN THE OWNERSHIP AND
PROFITS OF THIS BUILDING...
STARRETT BUILT - STARRETT OWNED

• A new LEVIATHAN of our modern building age stands completed...Towering seventy stories into the air—120 feet higher than the famed Woolworth Tower—this gigantic new commercial structure has been built by the Starretts, and finished, within the space of a single year. The story of this record achievement is a fascinating epic. • Equally interesting to far-seeing investors are the striking possibilities afforded through the securities of THE STARRETT CORPORATION—a complete organization for the construction, financing, operation and ownership of buildings, embracing every profit-making activity in this field. • Write for a copy of "The Fascinating Story of Wall Street's Greatest Skyscraper."

G. L. OHRSTROM & Co.

INCORPORATED

36 WALL STREET - NEW YORK

BRANCHES IN TWENTY PRINCIPAL CITIES



WHERE TREES GROW TWICE AS FAST

—and there's more
Profit in Paper

Steady forest depletion in other sections has turned the eyes of the paper and pulp industry to Georgia. For in this state are great reserves of forest, waiting to supply a need which soon will be urgent.

Searching for wood, the industry has found many things more in Georgia. Plentiful cheap clay for filler. Efficient labor—willing, adaptable, with the natural skill which is the Anglo-Saxon's heritage. Low taxes. Abundant and dependable power. Natural gas and cheap coal. Equable climate. Swift transportation by road, rail, water and air. These and many more factors are a big plus to the standing timber.

And that timber grows twice as fast. It requires only half the acreage to supply a perpetual source of pulpwood, and timber operations can be carried on throughout the year. Plants in Georgia can locate permanently and economically.

Paper is but one of the many industries to which Georgia brings great opportunity. We have made special surveys of Ceramics, Furniture, Rubber, Textiles and Full-fashioned Hosiery. We are rapidly completing others. And the information thus gathered is available to interested executives without charge or obligation.

If you are interested in better profits, write INDUSTRIAL DEPARTMENT, New York office, 20 Pine street, or direct to the home office, Electric building, Atlanta, Georgia.

GEORGIA
POWER COMPANY

Industry Prospers In Georgia

When writing please mention Nation's Business

THROUGH THE EDITOR'S SPECS



GENTLEMEN:

Mr. Hoving's article in the March issue is vital, scientific, and practical and NATION'S BUSINESS is doing a real service in publishing it. Mr. Hoving presents this important material in a way that is easily understood and very convincing. Altogether, it is the kind of work one might expect from the vice president of Macy's.

Department stores are still using many wasteful, unscientific methods and the fact that they are able to make profits in spite of this is largely due to the basic advantages which enable them in spite of much bad merchandising and much bad management to give better values than the small, individual retail stores.

It is a good omen that men like Mr. Hoving put energy into bringing this subject clearly before the business world and that Macy's takes the leadership in sponsoring this new type of merchandising.

It is largely for this reason that Macy's is, I think, all in all, the best, the leading, store of the world. The service that such work renders to the public, has led me to name Mr. Jesse I. Straus, the president of Macy's, as one of the ten greatest business men of this country in an article to appear in the *North American Review*.

EDWARD A. FILENE

Wm. Filene's Sons Company
Boston

♦ Air Travel

GENTLEMEN:

Article page 12 March issue says air passenger lines operate at deficit. You ask the reason and for remedy.

Here is reason:

Practically all air lines offer nothing to the business man. He cannot afford to waste his time riding in them, even his own private plane—except very short or very long hauls. For instance the Minneapolis-Chicago line. When the executive can put in a full day in either city, then eat a remarkably fine dinner on the Pioneer Limited or Northwestern Limited, enjoy a pleasant evening on luxurious roller-bearing equipment and a good night's sleep and still arrive at his destination before business hours, why take the airplane? In fact he loses office time by taking that daylight trip.

The same applies on all overnight and

even 24-hour jumps. The only sensible run I know of is the cross-country trip or the train Chicago to Kansas City and ship the rest of the way and even then in both cases an arrival by plane is obviously time wasted, as you could just as well have shortened the flying time and spent the night on sleeper arriving at Los Angeles right after breakfast.

Do you see my point?

DAVID A. HILL
Vice President

American Trades and Savings Bank
Racine, Wis.

GENTLEMEN:

Concerning your editorial, "Passengers by Air," in the March number and the gloomy picture you make out of the loss of money on airplane passenger travel, we are writing to give you a pleasanter story in this connection. We have a mail service operating by air with two departures daily, to and from, between this city and Chicago. Before the first of January—with planes which had a capacity of from five to 12 passengers on fares of about \$35 each way, it ran at a considerable loss. With the first of the year, the fare was reduced to \$14.50 per passenger.

Since then, especially over week-ends, they have had to turn away people. They are carrying now about 85 passengers with mail weekly and this is paying expenses and some clear profit.

GEORGE PECK, SR.
The Peck-Hannaford and Peck Co.
Cincinnati, Ohio

♦ For Better Dealers

GENTLEMEN:

I read with much interest the letter in your March issue entitled "Ford Critic," from Charles K. Schwartz, and feel inclined, inasmuch as Mr. Schwartz pleads the cause of the dealer, to say a word in behalf of the consumer.

It seems to me that the dealer's success is dependent upon himself and that there are many ways in which he can add to his profit, other than by the sale of cars alone. Being a Ford owner, I know from experience that there are innumerable possibilities for selling other things that go along with cars, and on which there must be a better margin of profit.

When I bought my second Ford, I bought it in another town, because my local dealer was apparently suffering under the delusion that he was doing me a favor, instead of giving me the impression that my trade was of some consequence.

No matter how good a car a manufacturer produces, the resales will very largely depend upon the dealer's manner and attitude toward his customers. What most of the dealers need are the rudiments of courtesy and good-will, and when they have developed these to some small degree, the dealer will have lots less to worry him.

DONALD C. TAGGART

Buckley, Dunton & Co.
New York City

♦ From Mons

GENTLEMEN:

I am a subscriber to your valuable magazine, and I find in your January number a picture showing the world's largest electric shovel, for use in an Illinois coal strip mine.

This interests me very much for earth-works in Africa in a tin-ore district.

I should be very grateful to you, if you could send me the address of the manufacturer of those giant tools.

Perhaps you would be good enough to ask the firm to send me its catalog and literature.

CANON LEGRAND

Mons, Belgium

(The desired information has been sent to the writer. Such requests from abroad are not uncommon.—EDITOR'S NOTE.)

♦ More About "Service"

GENTLEMEN:

I am in accord with the general idea of your editorial "Ethics and Good Business" in the March number.

But I question your statement, "The primary proposition, the proper proposition, the right proposition of business is to make money." Profit is a necessity. No business can continue to thrive or even live without it, but if a business does not render a worthwhile service what right has it to ask for, or expect a profit?

I think it was Elbert Hubbard who said, "Some men want to work, others merely want to get paid," and went on to elaborate the idea that the real reward goes to the man who does not have to be watched, but who works because he is interested in his job. He keeps the boss busy raising his pay.

Does not the same thing apply to corporations?

RICHARD DICKINSON

Dickinson & Co.
Eureka, Ill.

GENTLEMEN:

The slogan of my company is "Wilson for Service." This slogan, according to your paragraph in the section "As the Business World Wags," is hypocritical.

Let's substitute your inference—"Wilson for Profit." Which would you, as a business man, prefer to see before you on a letter-head soliciting business? Your paragraph emphasizes the obviousness of profit in the transaction of business—and you are right.

In this transaction of business, however, Service is not so obvious. What is Service? An element difficult to define, and, apparently, its reality has eluded you. Service is



Architects
Graham-Anderson, Probst & White
Chicago

Vault Architects
Keene & Simpson
Kansas City, Mo.

Vault Contractors
Long Construction Co.
Kansas City, Mo.

PROGRESS DEMANDED

3

POINT PROTECTION

for

Kansas City Federal Reserve Bank Building, Kansas City, Missouri

Recently—the Kansas City Federal Reserve Bank found it necessary to move their bond vaults from the 9th to the 6th floor. The original vaults, built six years ago, were constructed with a heavy steel reinforcing system, based on the idea of mass, only in overcoming burglarious, or mob attacks.

The architects in charge of remodeling, appreciating that progress moves ever forward, thoroughly investigated all forms of vault design. They sought not only ability to resist high explosive—but drills and torch as well.

As a result of this research, the Steelcrete principle was specified—assuring, in addition to extraordinary protection, remarkably low cost.

Here, again, is positive evidence of Steelcrete Superiority—one of many similar findings of leading architects and bankers. You are invited to send for their certified endorsements. Write today.

PROOF AGAINST



CUTTING FLAME



DRILL



EXPLOSIVES



VIEW OF CONSTRUCTION

A partially concreted section of a minimum thickness Steelcrete Vault. This shows the rigid entanglement of interlocked steel which serves as the skeleton around and through which concrete is poured.

THE CONSOLIDATED EXPANDED METAL COMPANIES
Steelcrete Building, Wheeling, W. Va.

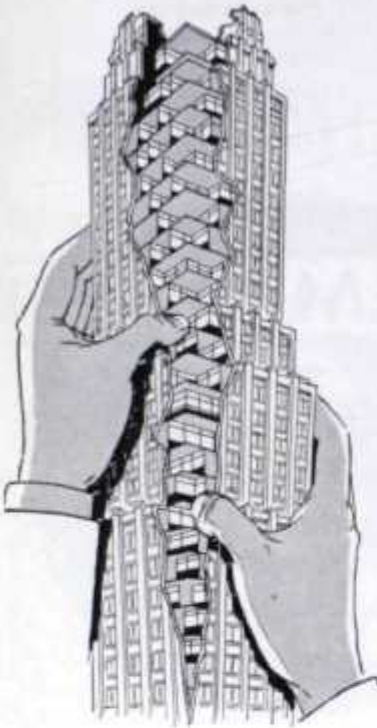
Branches: Boston Cleveland Philadelphia Pittsburgh Chicago New York Buffalo



OTHER STEELCRETE PRODUCTS FOR SAFETY

FRAMEBAR and Industrial Mesh for Window Guards... Industrial Mesh for Safety Guards and Partitions... Metal Lath... Expanded Metal Concrete Reinforcement

.... if you turned the Building inside out



YOU can never tell from outside walls what conditions they conceal. For many an apparently healthy building or industrial plant is suffering internal disorders . . . because solid, immovable walls resist all attempts at progress.

But look inside! Those buildings equipped with Hauserman Movable Steel Partitions are unaffected by growth . . . are not defaced by remodeling.

Hauserman Movable Steel Partitions for executive offices, general offices, and industrial plants provide utmost flexibility and permanence. Move them as often as you like . . . the business setting they provide will always be as new . . . as practical . . . as attractive as next year's car. Hauserman Partitions are permanent assets.

THE E. F. HAUSERMAN COMPANY

A nation-wide organization of
Partition Specialists

6846 GRANT AVENUE CLEVELAND, OHIO

Factory Directed Planning and Erection Service
from these 13 Factory Branches:

Newark Philadelphia Buffalo Boston Hartford
Chicago Pittsburgh Detroit Cincinnati St. Louis
Washington, D. C. New York Cleveland

Send for this
valuable book



"Office Planning Studies" will help you arrange efficient layouts. Send for it today. Use coupon below



Over a mile and a half of these steel and glass partitions and steel panelling was installed in the General Motors Building, Detroit

THE E. F. HAUSERMAN CO.,
Cleveland, Ohio

Please send me booklet "Office Planning Studies"

Name

Firm

Address

(Key 6116)

HAUSERMAN MOVABLE STEEL PARTITIONS

When writing to THE E. F. HAUSERMAN CO. please mention Nation's Business

the lubricant that makes business contacts smoother, cleaner, more wholesome. Sportsmanship in sport and Service in business are synonymous.

In social contacts the words "please" and "thank you" do not in themselves accomplish anything—they are gestures only. So it is with Service—but, in the search for the "obvious" profit, as you put it—of indeterminate and intangible value, but of a value nevertheless.

HUGH H. HIRSHON

President

W. S. Wilson Corp.
New York City

GENTLEMEN:

Permit me, a salaried individual who lacks the moral courage to engage in business for himself, to take issue with you in regard to your editorial in the March NATION'S BUSINESS headed "Ethics and Good Business."

It is quite true that "the primary purpose, the proper purpose, the right purpose of business is to make money," but, how? By selling goods—and services. Goods have been, and are being advertised; not with the idea that the seller alone will profit, but that the buyer also will profit. The seller prefers the money to the goods, the buyer prefers the goods to the money, therefore, when a deal is made, both profit from their own viewpoint.

Service is a legitimate stock in trade and more and more of it is being offered for sale. If some people think they are getting it gratis they enjoy the bliss of the ignorant. Most people know they are paying for it and feel that it is worth the price. Therefore, let it be advertised, but on the same basis with goods—from the viewpoint of the purchaser's gain rather than from the standpoint of profits for the business.

LEWIS E. LONG

Agricultural & Mechanical College
Starkville, Miss.

♦ Chains Do Give

GENTLEMEN:

I enjoyed the contribution of the "Small Town Banker" in the March NATION'S BUSINESS. He says at the end, however, that "chain stores will not cooperate; they do not assist the community with money, time or brains." That is not true if he implies it as a sweeping statement for the whole country. I hold no brief for the chains as against the independents, or vice versa. But when I read such a statement as the above I feel that in fairness to the chain operator, his position should be defended, especially when we have the kind of co-operation from the chains that has recently been demonstrated in Kalamazoo.

This is a town of about 60,000. Our charity and welfare organizations, about 18 in number, are supported out of a community chest by the Welfare Federation. Last November we had a campaign to raise a budget of \$135,000 for 1930. Among the committees working was the Chain Store Committee, headed by the manager of one of our five cent and ten cent stores. This Committee was given a quota of \$3,500. They raised \$3,650, being one of the few committees that exceeded their quota. This sum was collected from an even 50 contributors, an average of \$73 each. One chain of 18 grocery stores contributed \$100, an-

other chain of 22 groceries contributed \$85.

We grant that these are not large amounts when divided among the separate stores but it shows that the chains are doing at least as well as some local groups.

For example, we have a local group of 18 independent grocers who are organized into what is substantially a local chain. Whenever a Welfare Federation solicitor called on one of these stores he was referred to the central office of the Association. When the secretary was seen, this gentleman called the directors together and they pledged the munificent sum of \$25—18 home-owned stores—\$1.30 each—this store's total contribution to the maintenance of the 18 welfare and charitable organizations for 1930. Try as hard as we could we were not able to get this pledge increased.

There is no reason why I should fly to the defense of the chain-store operator for I am honestly no more interested in him than I am in the independent—less so, if anything. But I am interested in truth and when the chain stores are charged with refusing cooperation, then they are entitled to have the facts in what may be a typical community brought to light.

We have had such effective cooperation from chain-store managers here in our 1930 fund campaign that it is a pity not to have it recognized. Chain operators doubtless see the cash value of being human.

A RESIDENT OF KALAMAZOO
Kalamazoo, Mich.

Conference Called on Traffic Safety

DEFINITE proposals for the reduction of automobile accidents and the relief of traffic congestion will be given thorough consideration at the third National Conference on Street and Highway Safety, called by Secretary of Commerce Robert P. Lamont to meet in Washington May 27, 28 and 29.

Governors of the states and mayors of cities and larger towns have been invited to designate official delegates to the Conference. Chambers of commerce and other organizations interested in the highway-congestion and accident-prevention problem will be represented also.

Committee reports to be discussed cover uniform traffic laws and regulations; standardized signs and signals, protection of grade crossings and highway intersections, motor-vehicle maintenance, measures to overcome traffic congestion, and systematic collection and analysis of accident and traffic statistics.

The enforcement of traffic laws and regulations, education in safety and accident prevention, and other vital subjects relating to the traffic problem will also come before the Conference.

Idle hands are mischievous hands



NOW more than ever, . . . you need the protection of **Pittsburgh Fence** CHAIN-LINK TYPE

IN the emergency, a strong, substantial fence barricade is worth a cordon of police. Once erected, it is always prepared, and its cost of maintenance is practically nil.

Pittsburgh Chain-Link Fence is an unusually sturdy fence of substantial fabric and seamless tubular steel frame. Heavily hot zinc coated after weaving, it will resist the natural destructive forces of time and weather year after year.

Erection service is always available. Write for descriptive literature and specifications.

Pittsburgh Steel Co.

732 Union Trust Bldg.

New York Detroit Dallas



Pittsburgh, Pa.

San Francisco Chicago Memphis

When writing to PITTSBURGH STEEL CO. please mention *Nation's Business*

Index of Advertisers

MAY, 1930

	PAGE		PAGE
Aerocard System Company	7	Jenkins Bros.	209
Addressograph Company	57	John Hancock Mutual Life Insurance Co.	209
Aetna Casualty & Surety Company, The	156	Johns-Manville Corporation	75
Agricultural Insurance Company	158		
Alexander Hamilton Institute	146	Kansas City Chamber of Commerce	117
Aluminum Company of America	174	Kemp, C. M., Mfg. Co.	205
American Appraisal Company, The	252	Kimberly-Clark Corporation	81-82
American Clip Co.	152		
American Express Company	147	Lamson Company, The	149
American Institute of Steel Construction	115	LaSalle Extension University	194
American-LaFrance & Foamite Corp.	66-67	Los Angeles Chamber of Commerce	141
American Multigraph Sales Company	226	Louden Machinery Co., The	221
American Numbering Machine Company	226	Louisville Drying Machinery Co., Inc.	172
American Telephone & Telegraph Co., 2nd Div.	184		
American Warehousemen's Association	233	MacDonald Bros., Inc.	225
American Writing Paper Company, Inc.	233	Metropolitan Life Insurance Company	62
Are Welders Association	2nd Div.	Moline Manufacturing Co.	184
Armstrong Cork & Insulation Company	159	Mohawk Rubber Company, The	167
Art Metal Construction Company	154	Moore, John C., Corp.	229
Associated Gas and Electric Company	216	Morrison, Geo. Company	248
Austin Company, The	19	Multiplex Display Fixture Co.	234
		Mutual Casualty Insurance	125
Babson Institute	258		
Bakelite Corporation	71	National Assn. of Commercial Org. Secretaries	231
Baltimore & Ohio Railroad Company	219	National Cash Register Company, The	203
Becker, A. G., & Co.	251	National City Company, The	218
Bliss-Knox Company	770	National Lamp Works of Gen. Electric Co.	159
Broderick & Bascom Rope Company	181	New Jersey Zinc Company, The	87
Buhl Aircraft Co.	212	Newton Steel Company, The	201
Burroughs Adding Machine Company	61	Niagara Hudson Power Corporation	199
Californians Inc.	195	Oakland Motor Car Company	77
Canadian Pacific Railway Company	219	Ohrstrom, G. L., & Co., Inc.	253
Central Mfrs. Mutual Insurance Co., The	235	Otis & Co.	250
Chevrolet Motor Company	53		
Chicago Daily News, The	193	Package Machinery Company	121
Chicago Hardware Foundry Co.	229	Pan American Airways, Inc.	222
Cincinnati Time Recorder Co., The	248	Peele Company, The	164
Circle A Products Corporation	148	Philadelphia & Reading Coal & Iron Co.	93
Commercial Investment Trust Corp.	244	Photographers' Association of America	204
Consolidated Expanded Metal Companies, The	255	Pittsburgh Steel Co.	257
Crafts Company	216	Portland Cement Association	195
Crane & Co., Inc.	229	P. O. Box 244, Elizabeth, N. J.	166
Curtis-Robertson Airplane Mfg. Co.	209	Postal Telegraph-Cable Company	109
Cutler-Hammer, Inc.	162	Pressed Steel Tank Company	227
Detroit Watchlock Corporation	116	Radio Receptor Co., Inc.	182
Detroit Aircraft Corporation	140	Reading Iron Company	167
Detroit Steel Products Company	157	Remington Rand Business Service Inc.	106-107
Diamond Chain & Mfg. Co.	142	Ron Motor Car Company	151
Dick, A. B., Company	2	Revere Copper and Brass, Inc.	90-91
Distaphone Sales Corporation	274	Reynolds, B. J., Tobacco Company	8th Div.
Ditto Incorporated	158	Richards-Wilcox Mfg. Co.	2
Dodge Brothers Corporation	1	Robbins & Myers, Inc.	139
Domestic Electric Company, The	85	Robertson, H. H., Co.	109
Duke Power Company	191	Rogers Fibre Company	242
		Rundle-Spence Mfg. Co.	258
East Michigan Tourist Assn.	226		
Ediphone, The	122	S. K. F. Industries, Inc.	165
Eggs Register Company, The	211	Safe Guard Corporation	196
Elliot Addressing Machine Co.	220	Seattle Chamber of Commerce	198
Ellwell-Parker Electric Co., The	197	Silver King Golf Ball	215
Erie Railroad System	95	Simonds Saw and Steel Company	221
Ernst & Ernst	166	Southern Pacific Company	185
		Special Production Machines, Inc.	65
Fairbanks, Morse & Co.	145	Stationers Loose Leaf Co.	127
Felt & Tarrant Mfg. Co.	186	Stone & Webster, Inc.	83
Ferguson, H. K., Company, The	123	Sturtevant, R. F., Company	174
Perdu and Albestos Incorporated	64	Swift & Company	228
Flinnell System, Inc.	229		
First National Bank in St. Louis	252	Teletype Corporation	155
Fokker Aircraft Corporation of America	79	Thew Shovel Company, The	153
Frigidite Corporation	137	Thompson, J. Walter, Company	259
		Toid Company, The	113
General Box Company	189	Trucon Steel Company	57
General Electric Company	69		
General Foods Corporation	59	United Autographic Register Company	206
General Motors Truck Company	111	United Engineers & Constructors, Inc.	168
General Office Equipment Corporation	73	United Founders Corporation	249
Georgia Power Company	254		
Gouder, Paschke & Frey Co.	104	Varum Oil Company	4
Gillette Safety Razor Co.	175		
Goodrich, B. F., Rubber Company, The	212	Wagner Electric Corporation	196
Goodyear Tire & Rubber Co., Inc., The	89	Wardman Park Hotel	214
Graff, George, B., Co.	252	Weinert, Walter A.	229
Great Lakes Aircraft Corporation	227	Western Electric Company	182
Grinnell Company, Inc.	138	Westinghouse Electric & Mfg. Company	127
		Weston, Byron, Company	214
Halvey, Stuart & Company, Inc.	247	Weyerhaeuser Sales Company	171
Hammermill Paper Company	217	Wickwire Spencer Steel Company	160
Harnischfeger Corporation	208	Wood Office Furniture Associates, Inc.	241
Hausman, E. F., Company, The	256	Worthington Pump & Machinery Corp.	161
Hercules Powder Company	109	Wright, E. A., Company	254
Holoplane Company	55	Wright, E. T., & Co., Inc.	232
Hough Shade Corporation	226		
		Yale & Towne Mfg. Co., The	119
Ideal Power Lawn Mower Co.	226	Yawman and Erbe Mfg. Co.	187
Industrial Brownholt Corporation	123		
International Business Machines Corp.	8		
International Correspondence Schools	74		
International Harvester Co. of America, Inc.	123		
International Mercantile Marine Co.	162		
Iron Fireman Manufacturing Company	242		
Irving Trust Company	6		

THIS is one of a series of editorials written by leading advertising men on the general subject of "Advertising"

The Man Nobody Knew

A FEW weeks ago, walking through the vastness of Grand Central with a gentleman whose hair is graying in the service of advertising, we heard the sudden, distant clatter of many excited feet. And presently there appeared a crowd of people milling around, alongside and in the rear of, a smallish, undistinguished figure of a man with a self-conscious look on a rather sour face. He walked rapidly away, the crowd pattering at his heels.

"That," said my companion, "is the pulling power of the director of a life insurance company if he happens to be an ex-President of the United States. A mere discarded cigar butt from that man is enough to start a riot. I am reminded," he added, "of a somewhat different incident."

"Years ago I attended a dinner in Boston. The governor was to speak. But when the free cigars had been lighted the toastmaster arose with an are-we-downhearted look to announce the governor had been called elsewhere. By a happy stroke of good fortune, however, he had been able to send Mr. Somebody-or-other."

"You know how it is; nobody ever pays attention to the fag-end of an announcement like that."

"The unknown proved to be an ordinary looking man who plunged at once into a manuscript, reading in a nasal, New England voice, to which we paid little attention. Someone, finally started a whispered question, 'who is this bird, anyway?' Nobody at our table knew, so we passed the inquiry on. Presently the answer came back, whispered from table to table.

"The speaker was the Lieutenant-Governor of Massachusetts, one Calvin Coolidge, but at that time he was an unadvertised commodity."

ROBERT K. LEAVITT, Sec'y-Treas.
The G. Lynn Sumner Company, Inc.

"SUCCESS in Overseas Selling"

SAYS DR. JULIUS KLEIN



Dr. Julius Klein,
Assistant Secretary
of Commerce.

"requires something more than daring and dominant will . . . precision of information is of paramount importance for every merchant or manufacturer, banker or shipper."

DR. KLEIN'S statement goes to the root of the selling problem both here and abroad.

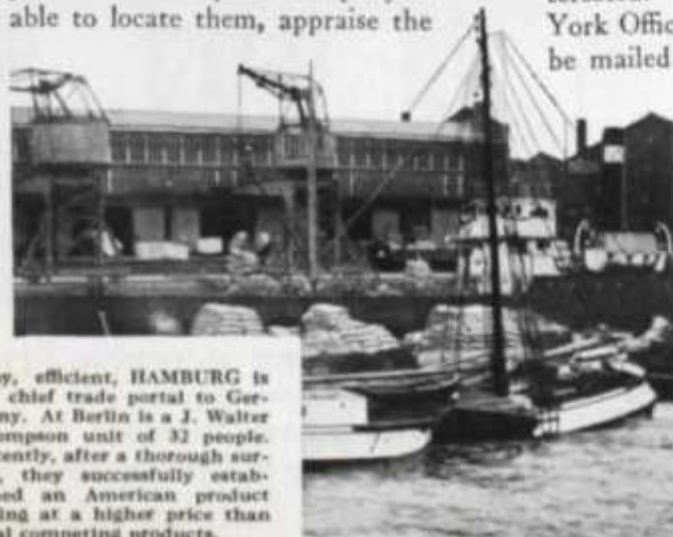
The J. Walter Thompson Company commenced, more than ten years ago, to build an organization which would give American manufacturers, in their penetration of foreign markets, the advantages of those same American merchandising methods, based upon precise information, which the J. Walter Thompson Company has applied so successfully in this country.

As a result of this planning years in advance, the J. Walter Thompson Company has a seasoned organization comprising 16 fully equipped main offices and 13 branch offices, assuring clients of a service in foreign fields which complements the service of the Company in the domestic market.

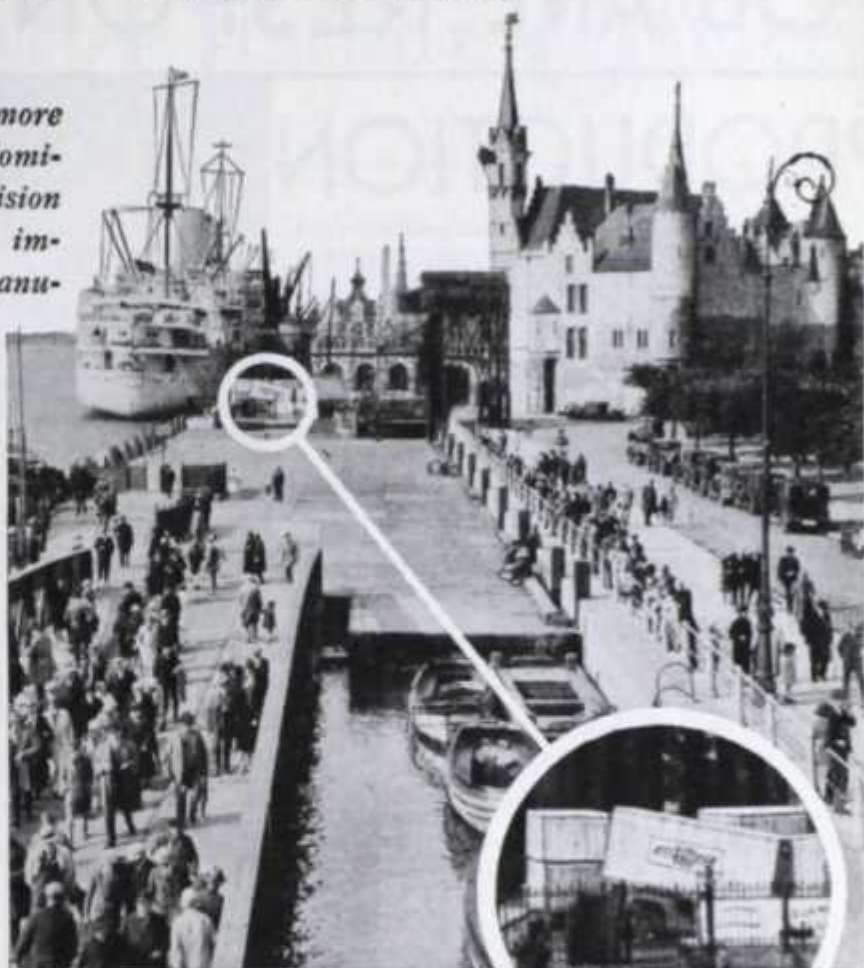
Wherever new markets may lie, either at home or abroad, the J. Walter Thompson Company is able to locate them, appraise the

order of their importance, and cultivate them with methods of proven efficiency.

An interesting pamphlet, entitled "Selling Abroad," which shows the scope of the foreign service of the J. Walter Thompson Company, will be gladly sent to executives interested. Write to the New York Office and a copy will be mailed to you promptly.



Busy, efficient, HAMBURG is the chief trade portal to Germany. At Berlin is a J. Walter Thompson unit of 32 people. Recently, after a thorough survey, they successfully established an American product selling at a higher price than local competing products.



Unloading American products at ANTWERP. To speed their distribution the Antwerp Office of the J. Walter Thompson Company employs a staff of 36 people. Among them they command the 15 different languages spoken in the territory this office covers.

J. Walter Thompson Company

New York • Graybar Building • 420 Lexington Ave.

Chicago, Boston, Cincinnati, San Francisco • Montreal, Canada • London, Paris, Madrid, Berlin, Stockholm, Copenhagen, Antwerp, Warsaw • Alexandria, Egypt; Port Elizabeth, South Africa • Buenos Aires, Argentina; Sao Paulo, Brazil • Bombay, India • Sydney, Australia

When writing to J. WALTER THOMPSON COMPANY please mention Nation's Business

..IF YOU SELECT THE CRANES YOU ARE RESPONSIBLE FOR PRODUCTION

THE executive who decides on crane purchases has an important decision to make. Upon the wisdom of his selection depends the operating efficiency of his plant for many years.

Executives of long experience realize that the first cost of a crane is unimportant. They know that a busy plant needs dependable, safe overhead transportation. They are unwilling to take a chance on inferior cranes, for delays and shutdowns are too costly.

It is significant that many leading American plants are large users of P & H Cranes. For instance:

Anaconda Copper has 312 P & H Cranes
Bethlehem Steel has 249 P & H Cranes
Weyerhaeuser Timber has 90 P & H Cranes
A. O. Smith Corp. has 79 P & H Cranes
Ford Motor Co. has 77 P & H Cranes

If the decision on cranes is up to you, step into almost any important plant near you and inspect the P & H Cranes in operation. Ask the superintendent about them. Then you will understand why there are more P & H Cranes in service than any other make.

P & H
OVERHEAD TRAVELING
CRANES



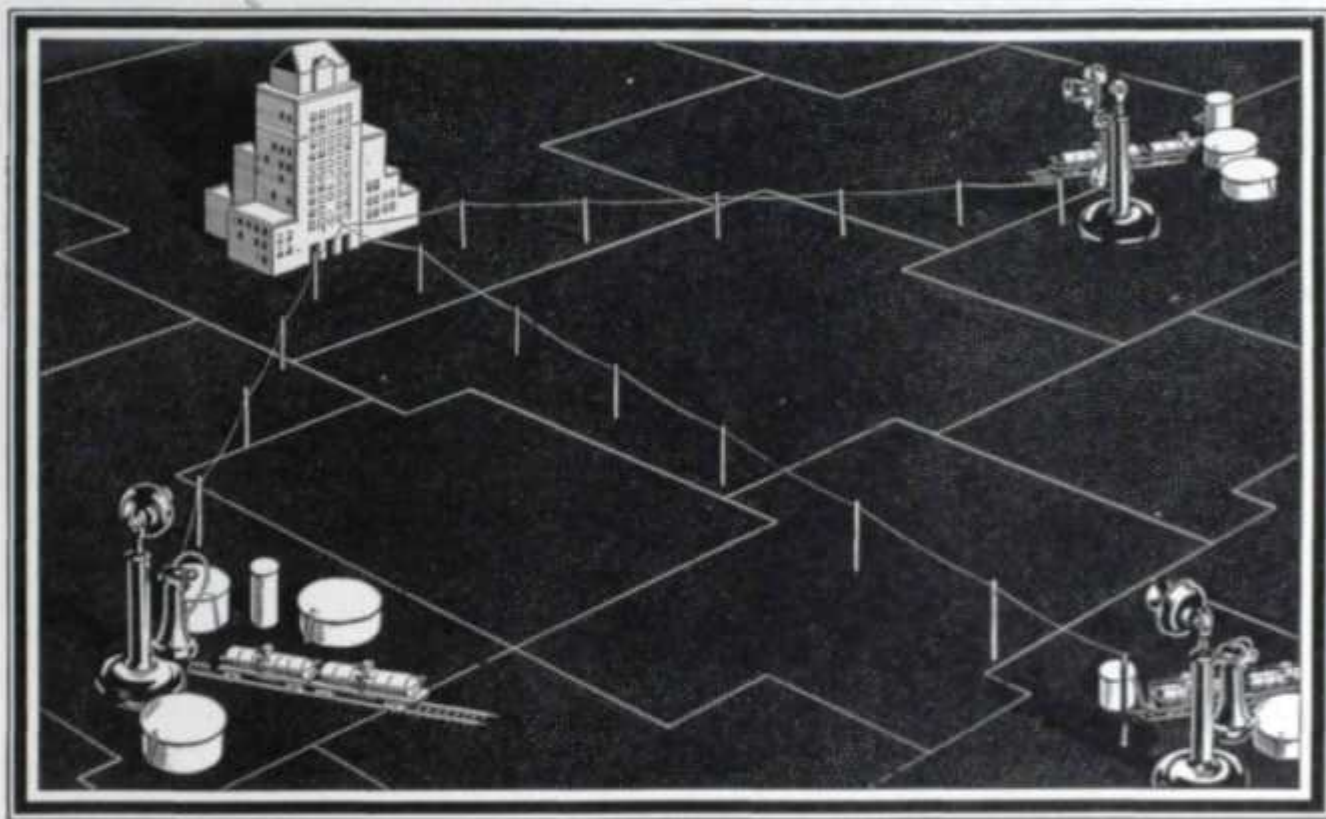
HARNISCHFEGER CORPORATION

ESTABLISHED IN 1884

3830 National Ave., Milwaukee, Wis.
Offices and Agents in All Principal Cities

A-525

Let Private Telephone wires connect your Distant Offices



A LARGE oil company has headquarters in New York and district offices in New England cities. It is essential that these be operated in close conjunction, especially in such matters as deliveries, prices and sales. The needed co-ordination is brought about by Bell System Private Wire Telephone Service—the exclusive use of telephone circuits between two or more cities.

Private Wire Telephone Service makes possible close supervisory control over all units of an organization. It is a convenient medium for administrative discussions. It facilitates the transmission of general information, technical specifications, orders, etc. It makes fewer trips necessary for busy executives.

A food products company has a private telephone service from its plant to New York to make purchases, talk to dealers, receive orders. A steel company conducts administrative and other important business between mill and main office 440 miles apart. A brokerage house connects branches and New York office, for stock trading and market gossip.

Private Wire Telephone Service gives the quick, two-way communication so vital in meeting modern conditions. It speeds business. It lessens the handicap of distance. Your local Bell Company will gladly give you complete information. For inter-city business, the telephone is *Quick . . . Convenient . . . Inexpensive*





Camels are odds-on favorites in every field.
... There isn't a cigarette ... anywhere ...
that can touch them for fragrance, for mild-
ness, for downright smoking *pleasure!*

Camel

C I G A R E T T E S



NATION'S BUSINESS



ONCE A YEAR business leaders from all parts of the country and from abroad gather in Washington at the Annual Meeting of the Chamber of Commerce of the United States.

● The theme of this year's Meeting, just closed, was "What's Ahead for Business?" A more timely subject could perhaps not have been chosen.

● Herbert Hoover talked to Business from the point of view of Government. Julius H. Barnes, Robert P. Lamont, William Butterworth, Alexander Legge, and other outstanding men were on the program.

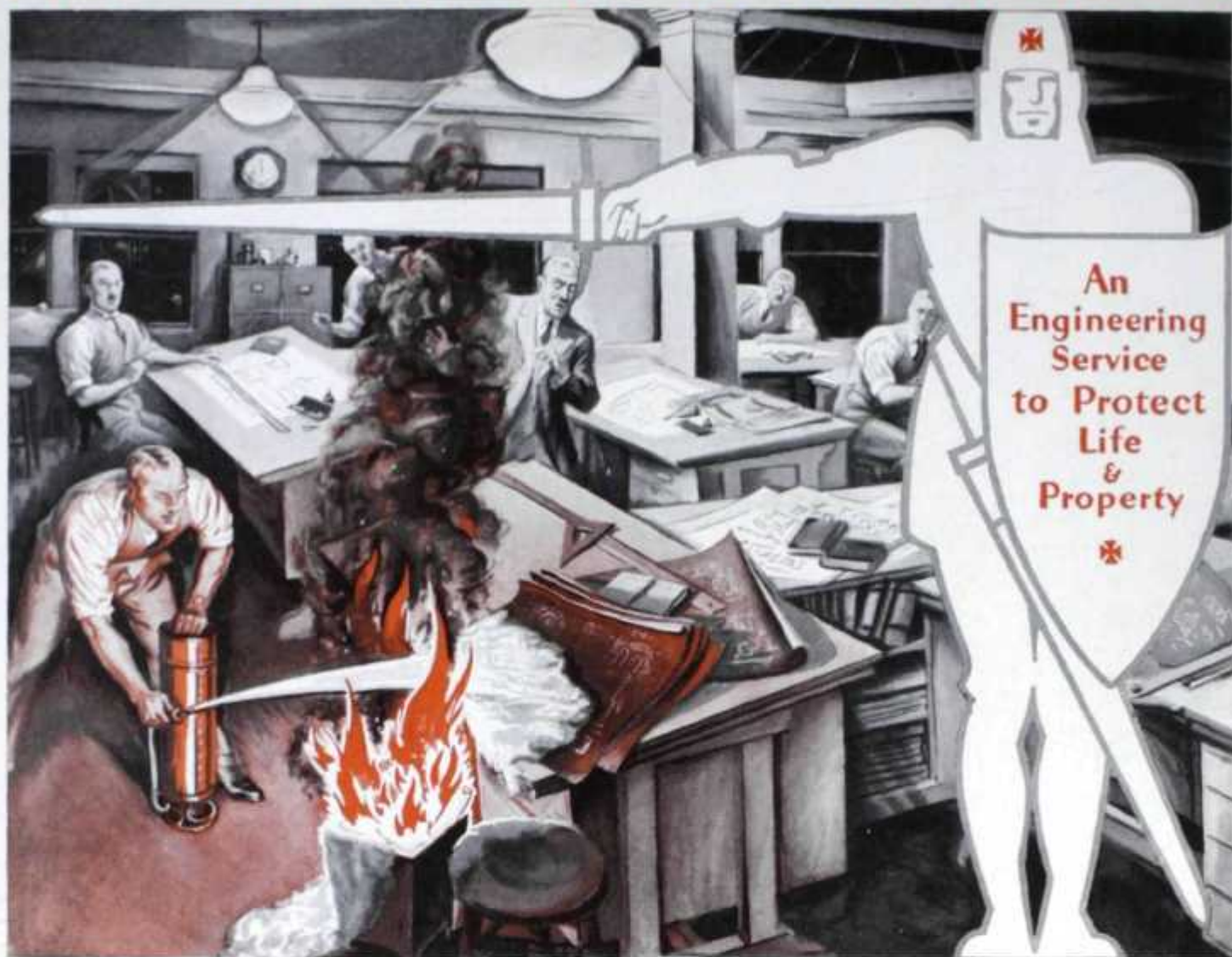
● This Extra Edition of NATION'S BUSINESS is a highlighted report of the Meeting. It takes a quick look back at the last business year and a longer look at the one ahead. It answers, as well as it can be answered, the question, "What's Ahead for Business?"

**EXTRA
EDITION**

MAY 20 • 1930

MORE THAN 320,000 CIRCULATION

FIRE — AN INCIDENT OR A DISASTER ?



Year-ahead plans that **FIRE** almost killed

Midnight—a drafting room working overtime—completion of advanced plans only a pencil's scratch off—future profits materializing before hopeful eyes. . . . Startlingly, what seemed a misty shadow becomes a quickly growing Fire! A Disaster? Almost! Yet Fire was soon killed by a minute's work with a handy extinguisher—an incident that might have been a disaster—if the right extinguisher hadn't been there!

The right extinguisher in the right place isn't the result of guesswork.

It must follow *correctly planned fire protection*.

In tens of thousands of plants, and laboratories and factories and public buildings, LaFrance and Foamite Service is on constant guard against fire. This Service will guard *your* business against profit-stealing fires. Our recommendations are always dependable because they are based on a complete study of the fire hazards of your plant by our trained fire protection engineers. . . . Our recommendations are unbiased be-

cause this company makes every recognized type of fire extinguishing equipment.

This service means more than a few extinguishers hanging on your walls . . . it means *correctly planned and complete fire protection*. Regardless of the size of your plant this service is available to you. Write for one of our representatives to call. No obligation, of course.

AMERICAN LAFRANCE and FOAMITE CORPORATION, Dept. D66, ELMIRA, N. Y.

Offices in all principal cities

LA FRANCE AND FOAMITE PROTECTION
AN ENGINEERING SERVICE
AGAINST FIRE

"Correct Protection Against Fire" is a booklet describing our service and protection. A free copy will be sent you on request.



What's ahead of . . .



you?

What's ahead of you as an individual

is of far greater importance from a purely personal standpoint than the question of what is ahead of the Nation, Industrially, Economically and Financially.

Everyone can be a "Bull" on the future of this Nation and its basic industries.

Are you a "Bull" on your own future?

Every successful man has a right to look forward to the certainty of an **Assured Income for life.**

The Equitable through its annuities can guarantee you this assured income, adequate for all your requirements. Any one of several forms of annuities may be chosen, the income from which may be drawn monthly, quarterly, semi-annually or annually, — a non-fluctuating income, unaffected

by panics, depressions, or economic conditions. Your income will be backed by the resources of one of the greatest financial institutions in the world.

One of the most popular forms is the Equitable **RETIREMENT** Annuity which may be secured either through annual deposits, or through the deposit of a single sum. Within certain age limits the contract provides for optional ages of retirement. Income also provided in event of total and permanent disability. Whether you prefer life insurance or annuities, the Equitable is in a position to serve you.

THE EQUITABLE

LIFE ASSURANCE SOCIETY

OF THE

UNITED STATES

A Purely Mutual Company

THOMAS L. PARKINSON, *President*

To The EQUITABLE

393 Seventh Avenue, New York City

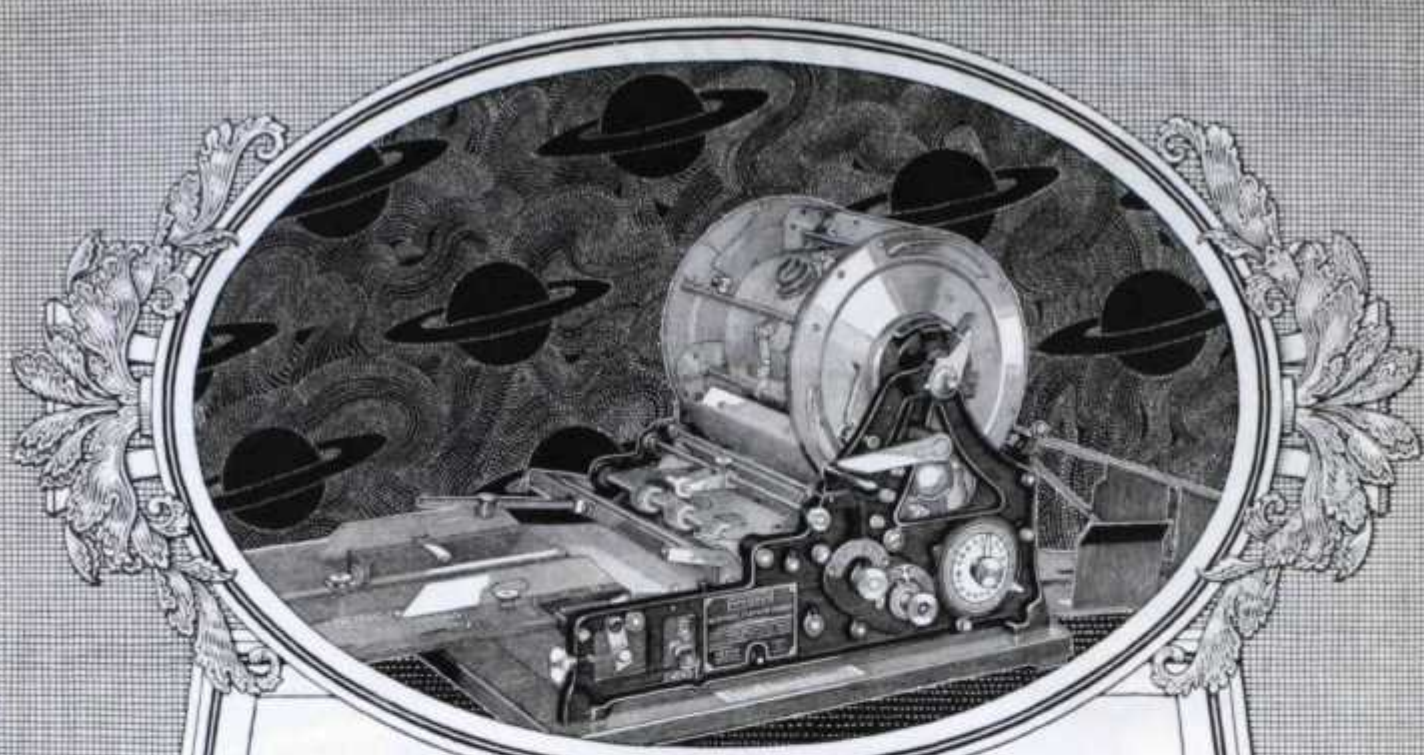
N.B.

Please send me pamphlet describing your Retirement Income Plans.

Name

Address

The Equitable Leads All American Companies in Total Annuities in Force

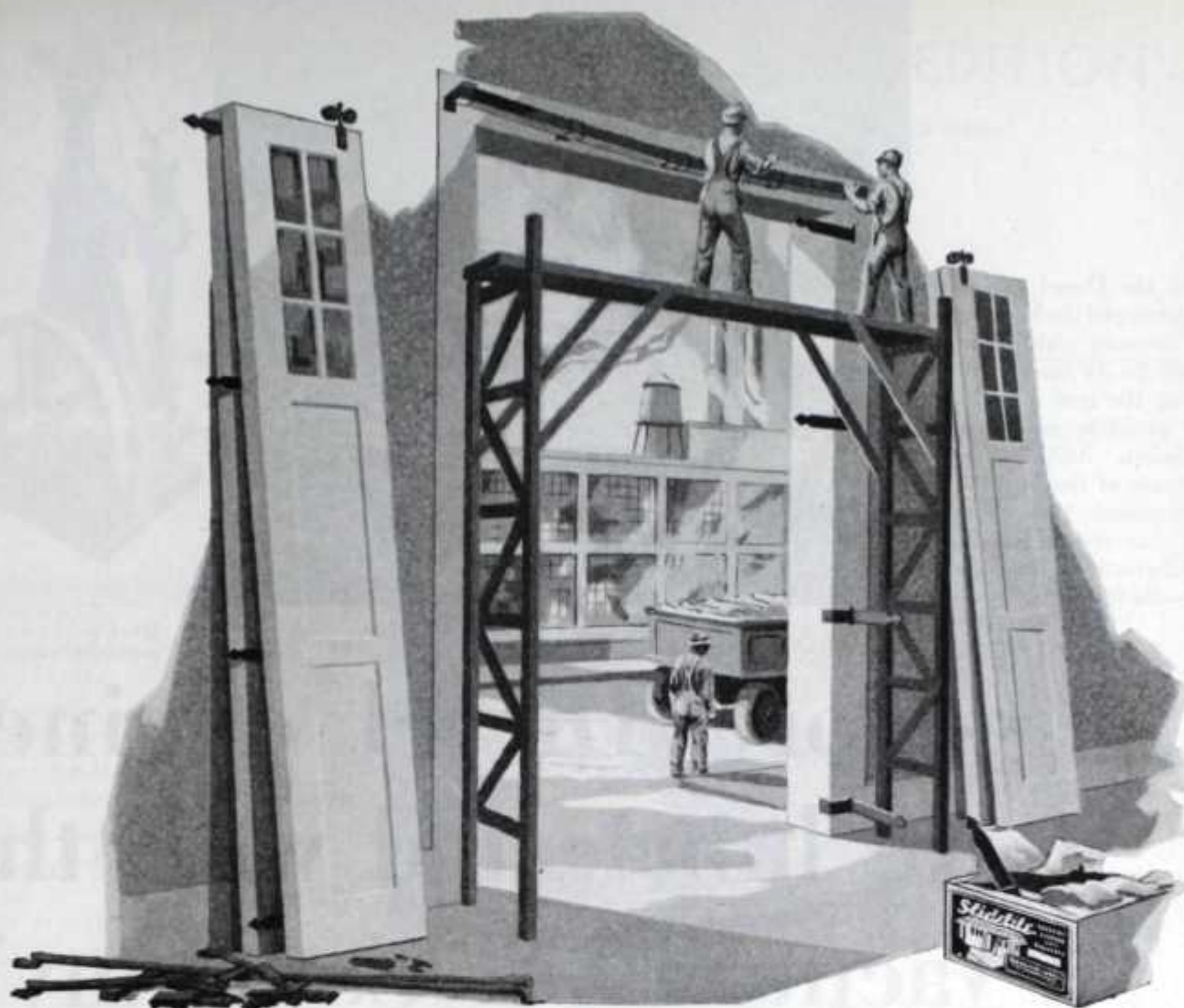


NEW WORLDS TO CONQUER

Saturn, or the newly discovered planet, may still be out of reach. But for Mimeograph users there are always new worlds to conquer. The solution of your present sales or organization problem may be a matter of greater range. And that's where the Mimeograph counts. Anything that can be written, typewritten or drawn in line, it reproduces at the rate of thousands every hour. Mimeotype, and the new Cellotype, its great stencil sheets, now make possible a lower cost mimeographing than ever before. Let us tell you how you may put this great business getter and organizer to work for you. It requires no trained operator, and it assures privacy for confidential work. Why not widen your scope of action now? Address A. B. Dick Company, Chicago, or 'phone branch office in any principal city.

M I M E O G R A P H





Doing the job over

YOU'D be surprised to know that a large percentage of our volume is in replacements.

Scarcely a day passes that one or more of our service branches are not called on to tell somebody what to do with doors that won't work.

In nearly every case, the trouble is that somebody — builder, architect, owner; generally owner—"saved money" on

cheap door-hardware; and the result is that the job has to be done over. A door that's improperly equipped doesn't work; and a door that doesn't work is worse than no door at all.

"Doing the job over" is a costly operation; hardware too light for the work; or made to sell at a price; or mistakenly designed for its duty. The right thing even at a higher price would have cost less in the end.

Richards-Wilcox doorway engineers will show you how to avoid all this, if you ask them. Their service is free; but it is worth money to you.



"Quality leaves its imprint"

Richards-Wilcox Mfg. Co.

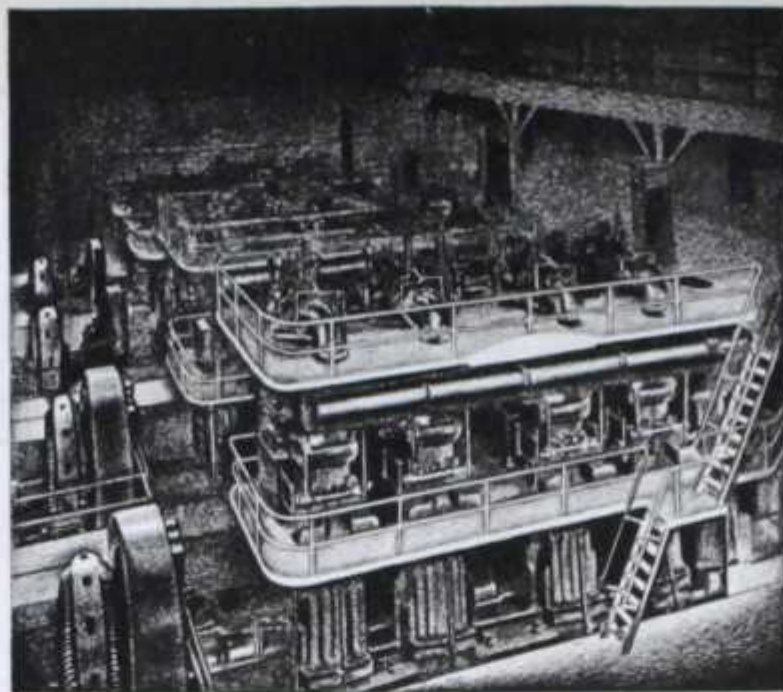
"A HANGER FOR ANY DOOR THAT SLIDES"
AURORA, ILLINOIS, U.S.A.

Branches: New York Chicago Boston Philadelphia Cleveland Cincinnati
Indianapolis St. Louis New Orleans Des Moines Minneapolis Kansas City
Los Angeles San Francisco Omaha Seattle Detroit Atlanta
Richards-Wilcox Canadian Co., Ltd., London, Ont. Montreal Winnipeg

50 years
1880/1930

When writing to RICHARDS-WILCOX MFG. Co. please mention Nation's Business

When the Diesel engine was developed the Vacuum Oil Company contributed largely to its success by solving the new lubrication problem which it presented. And during the years of the Diesel's development this company has specialized in its lubrication. That is why—the world over



A great modern installation of Diesel engines



Dr. Diesel's experimental engine

—more Diesel engines are lubricated with the Vacuum Oil Company's Gargoyle D. T. E. Oils than with any other brand

QUALITY BRINGS LEADERSHIP



Lubricating Oils

The world's quality oils for plant lubrication

VACUUM OIL COMPANY

Headquarters: 61 Broadway, New York. Branches and distributing warehouses throughout the country

From the first experimental unit of about 18 horsepower to the present large Diesel engines of 15,000 horsepower, scientific lubrication has played its important part.

Just as the Vacuum Oil Company pioneered in perfecting lubrication for the Diesel engine, so it has pioneered and been successful in other lubrication problems throughout industry.

In industrial plants all over the world our engineers are helping to speed up production and cut down operating costs through scientific lubrication. The records of these efforts will interest industrial executives in all lines of industry.

Our representative will be glad to discuss with you any lubrication problems that may arise in your plant and will help you in solving them.

If you have a lubrication problem—or want to avoid having one—ask for information. It will incur no obligation.

NATION'S BUSINESS ★ EXTRA EDITION

Published at Washington by the Chamber of Commerce of the United States

CONTENTS

	PAGE
A Declaration of Interdependence	9
EDITORIAL	
What's Ahead for Business	11
By MERLE THORPE	
The Future's Challenge to You	13
By WILLIAM BUTTERWORTH	
Constructive Help for Business	15
ADDRESS OF PRESIDENT HOOVER	
Organized Business Looks Ahead	17
The New Philosophy of Stabilization	19
By JULIUS H. BARNES	
How to Keep Business in Balance	21
By ROBERT P. LAMONT	
1. The Farm Board and Business	23
By ALEXANDER LEGGE	
2. Business and the Farm Board	25
By DANIEL A. MILLETT	
3. The Battle on the Floor	27
The Problems Progress Brings	30
By JOHN H. FAHEY	
The New Complexity of Business	33
By FREDERICK S. SNYDER	
The Nation's Tax Muddle	34
By FELIX M. MCWHIRTER	
What to Do About Taxes	38
By FRED W. SARGENT	
Business Needs More Facts	40
By ALFRED REEVES	
Aviation Adopts Business Rules	42
By MARTIN CODEL	

MAY 20, 1930

	PAGE
Production Can Be Stabilized	44
By HOWARD COONLEY	
What's Ahead for Canadian Business	45
By J. H. WOODS	
The Changing Field of Banking	48
By ROBERT L. BARNES	
Construction Surveys Its Problems	50
By L. W. MOFFETT	
The Fertile Field of Foreign Trade	53
By ROBERT SMITH	
Trends in Industrial Development	54
By ARTHUR W. CRAWFORD	
The Future of Our Waterways	58
By STANLEY H. SMITH	
Conserving Our Natural Resources	60
By LYNNE M. LAMM	
Insurance Faces Three Problems	64
By BERTRAM F. LINZ	
Regulation and the Railroads	65
By HAROLD F. LANE	
Retailers See Hopeful Future	68
By WILLIAM BOYD CRAIG	
Business Studies the Tax Bill	70
By HAROLD K. PHILIPS	
The Trade Practice Conference	74
By ROBERT DOUGAN	



MERLE THORPE, Editor and Publisher

Managing Editor, WARREN BISHOP; Director of Advertising, GUY SCHIVNER; Business Manager, J. B. WYCKOFF; Circulation Managers, O. A. BROWN, L. F. HUSLEY.

Branch Offices—New York, Graybar Bldg.; Detroit, General Motors Bldg.; St. Louis, Chamber of Com. Bldg.; San Francisco, Merchants Exchange Bldg.; Boston, 80 Federal St.; Dallas, 1101 Commerce St.; Cleveland, Keith Bldg.; Philadelphia, Guarantee Trust Bldg.; Chicago, First Natl. Bank Bldg.; Atlanta, Chamber of Commerce Bldg.; Pittsburgh, Chamber of Com. Bldg.



As the official magazine of the National Chamber this publication carries authoritative notices and articles in regard to the activities of the Chamber; in all other respects the Chamber cannot be responsible for the contents thereof or for the opinions of writers.

SUBSCRIPTION RATES: Three years, \$7.50; one year, \$3.00. General Office—Washington, D. C.

Please notify us promptly of change of address.

YOUR New York Bank

THOUSANDS of executives of large enterprises in all parts of the country have found that a New York banking connection is essential in the conduct of their business. That is why the Irving maintains its Out-of-Town Office.

This office—in every practical sense a complete bank in itself—is devoted solely to handling the accounts of customers in the United States outside of New York City. Its officers, through frequent contacts, keep in constant touch with changing conditions throughout the nation. Its staff, from long experience, is thoroughly versed in the banking requirements of "out-of-town" business. In addition, this Office provides for its customers all the advantages derived from the Irving's important connections in every part of the world.

The result is a banking service of exceptional efficiency for out-of-town accounts. Moreover, because the business of customers in each section of the country is handled continuously by officers familiar with that section, the Out-Of-Town Office maintains to an unusual degree that intimate personal relationship which means so much to customer satisfaction.

IRVING TRUST COMPANY

Out-of-Town Office—Woolworth Building

New York

The Why of the Extra Edition

EACH year NATION'S BUSINESS publishes the Extra Edition to report the Annual Meeting of the Chamber of Commerce of the United States. In this Extra Edition we try to catch and preserve some of the inspiration, the vigor and accomplishment of the Annual Meeting.

If from these pages, business men who did not attend the Meeting can catch some of the spirit which animated its session, and if those who were present can renew from time to time some of the enthusiasms they carried home from the Meeting, the Extra Edition will have fulfilled its purpose.

Not a sample edition

THE Extra Edition does not enter the field of the regular numbers of NATION'S BUSINESS. It is not, for instance, a sample of what you might expect to find in the June number.

The June NATION'S BUSINESS will offer the opinions and ideas of business leaders as they affect business men everywhere. Among the contributors will be Henry Ford, Matthew S. Sloan, Roy Durstine, Samuel M. Vauclain, Solomon S. Huebner, Thomas Nixon Carver, Robert W. DeForest and others.

Mr. Ford's article is especially significant. In it he expresses frankly his views of Soviet Russia, and his reasons for having these views.

The article will appear as an interview by William McGarry, who is assisting Mr. Ford in the preparation of a book. In giving Mr. McGarry his views on Russia, therefore, the manufacturer speaks as he would speak to a friend he knows well.

Mr. Sloan, president of the New York Edison Company, recently talked over the National Broadcasting Company's network with Merle Thorpe in one of the latter's regular Saturday night broadcasts.

His article in the June number is complementary to that talk. Those who heard Mr. Sloan's radio address will want to read his further remarks. Those who did not hear it will find in the article an inspiring conception of an industry's duty to the world.

Announcing the Addition of ANOTHER NEW COURSE to the Institute's Training for Business Men

THE Institute's service to business men is now complete.

Two months ago a new series of Business Courses was announced—all new, with the exception of the Course in Production Management. Now the new Production Management Course is ready.

This means that Institute training of the very latest type is available to fit your own personal needs, no matter what major department of business you are in—Production, Marketing, Finance, or General Executive Work.

In years, no Institute announcement has caused so much comment as the announcement of these new Courses.

Why?

Simply because the need for this new type of training is so great. Simply because industry is at this moment in such desperate need of men who can organize and conduct the affairs of an entire business or of an important department.

What would a merger do to your job?

Old jobs, old functions, old activities are being remorselessly altered or cast aside. On all sides, companies are merging and old employees are being dropped off. On all sides new inventions are putting old methods of manufacture into the discard. Small companies are being put to a new and challenging test by the competition of large companies.

Whether you are in a small company or a great corporation, everywhere you hear warnings to look out for your job, to prepare for a new form of competition.

Is there any security for the individual in an era such as this?

Yes. Mergers and reorganizations are merely deep breaths in healthy growth.



Their basis is economy. Their promise is greater chance for the individual. For every job wiped out, there is a bigger opportunity in a more profitable field.

There is an abundance of these jobs. But there is a shortage of men to handle them. An important executive of the New York Stock Exchange said recently, "In the near future, America is facing a shortage of 125,000 properly trained executives."

For men trained in management the rewards are immediate. That is why the Institute's new courses are *management* courses.

Prominent Contributors

In preparing the new Courses, the Institute went to the outstanding business leaders of the country and asked for their aid and cooperation. Among the many who have gladly contributed are:

JOSEPH P. DAY, *President*, Joseph P. Day, Inc., Real Estate; HON. WILL H. HAYS, *President*, Motion Picture Producers and Dis-

tributors of America, Inc., formerly U. S. Postmaster General; BRUCE BARTON, *Chairman of the Board*, Batten, Barton, Durstine & Osborn, Inc.; JOHN T. MADDEN, *Dean*, School of Commerce, Accounts and Finance, New York University; DR. JULIUS KLEIN, *The Assistant Secretary*, U. S. Department of Commerce; GEORGE BALDWIN, *Vice-President* General Electric Company; HUBERT T. PARSON, *President*, F. W. Woolworth Company; DAVID SARNOFF, *President*, Radio Corporation of America; DEXTER S. KIMBALL, A.B., M.E., LL.D., *Dean*, The College of Engineering, Cornell University.

Send for the Facts

What this new training can mean to your business progress is explained in a newly published booklet, "What an Executive Should Know." It should be read by every man who expects to win a secure place for himself in the next five years.

This booklet is free. But it will not interest those who are merely curious. It is offered only to mature men who are seriously interested in their own business progress. To help us prevent it from falling into the hands of those for whom it has no message, we ask you merely to fill in the spaces in the coupon below. Mail the coupon today.

To the Alexander Hamilton Institute, 292 Astor Place, New York City. (In Canada address Alexander Hamilton Institute, Ltd., C. P. R. Building, Toronto.)

Send me, without obligation, the new booklet, "What an Executive Should Know."

Name.....Age.....

Business Address.....

Business Position.....

Type of Business.....

ALEXANDER HAMILTON INSTITUTE



A Declaration of Interdependence

EIGHTEEN years ago a thousand earnest men met in Washington and founded the Chamber of Commerce of the United States of America.

That was a decisive moment, an epochal moment in the business history of this nation.

Those men had done business within walls as exclusive as the Great Wall of China. The coal business knew little about the lumber business. Lumber didn't worry about steel. Steel was oblivious to corn. Corn had little thought for cotton. And cotton had little interest in coal.

Business was operated in compartments.

Then the vision came. Those men looked out, over, and beyond their separate walls. They saw that business had common interests, common problems, common duties.

That enlargement of vision was recognized in an advertisement published by *NATION'S BUSINESS*. It declared that "A Thousand Men Looked Over A Thousand Walls."

Today, more than ever, that declaration is significant of the change in business viewpoint. Business after business is becoming aware of its part and place in the general scheme of things—of the underlying unity of all economic activities—of the sensitive interrelation and interdependence of all the elements of our intricate commercial and industrial structure.

The evidence of this growing consciousness is in the fact that 3,000 business leaders have just concluded in Washington a four-days' consideration of "What's Ahead for Business." They have tried to read the future for the good of business and for the public good. They have planned for the general prosperity, as well as for their own individual prosperity.

This foresighted leadership of business has come to an effective realization that the popular interpretation of independence may not be an unmixed blessing. For it sees that individual action founded on individual experience alone is not the key to the advancement of the common good. It sees that all features of the dramatic moving picture of business must be used as guides to action. It recognizes that in-

formation collected by individuals and organizations from their own fields cannot be put to best use until it is fitted to the pattern of all information from all fields.

These contemporary leaders of American business have all the qualities we venerate in the pioneer—courage, determination, resourcefulness, quickness of decision and action. But more, they see that we can have prosperity only by planning for it. Good times do not come by mere wishfulness or hope. Never was it more true than today that "faith without works is dead."

We cannot escape the conviction that this sort of knowledge has been available to us only in fragments—it has not been assembled, digested, centralized, and brought to a sharp and conclusive focus for decisive action. That is what we mean by the correlation and coordination of business information. Our national progress is the sum total of individual advancements less the cost of individual mistakes of judgment.

The development of a national viewpoint by every citizen—over and above the local and individual interest, of course—would be an asset of first importance to the whole country, and it is notable, I believe, that American business is commending this accession of sight to its own members. Nearer and nearer we are approaching the goal defined for us by a former Secretary of Commerce—

if we are willing... to realize that effectiveness is patriotic and that inefficiency is unpatriotic; if we are ready to give up inertia and take a step forward out of ourselves to the help of others; if we remember that commerce is mutual exchange to mutual benefit and not a species of war; if we can learn the lesson that the well-paid workman is the cheapest producer, and that science must be applied to industry if we are to win; if these things can be done, I see no reason why, with our resources and intelligence and organization, we may not become the first among the world's great trading nations.

Even so, the warning of an earlier authority is worth remembering. It is still true that where there is no vision, the people perish.

Merce Thorne



SPEED!

*... to place you in
production weeks earlier*

WHEN new straight line production facilities, or a branch plant or warehouse is required . . . when the decision calls for action . . . when days count, Austin saves weeks in the design and construction of your project.

Many executives naturally turn to Austin when speed in construction is required. Austin's highly satisfactory performance as demonstrated to many leaders in nearly every branch of industry from Coast to Coast is also at your disposal.

To these same executives, Austin has also demonstrated repeatedly that "Good Engineering is Worth Many Times Its Cost!" You too can benefit from Austin's broad experience and intense specialization in the design and construction of straight line production plants in many industries.

Under the Austin Method of Undivided Responsibility, your complete project including design, construction and building equipment, is handled by this one organization. Low total cost for the complete project . . . completion date within a specified short time with bonus and penalty clause, if desired . . . high quality of materials and workmanship . . . all of these are guaranteed in advance.

To obtain approximate costs and helpful building data promptly, on any project you may contemplate, of any size, anywhere—wire, phone, write the nearest Austin office, or use the convenient memo below.

THE AUSTIN COMPANY

Engineers and Builders • Cleveland

New York Chicago Philadelphia Newark Detroit Cincinnati Pittsburgh St. Louis Seattle Portland Phoenix
The Austin Company of Texas: Dallas The Austin Company of California: Los Angeles, Oakland and San Francisco The Austin Company of Canada, Ltd.

Memo to The Austin Company, Cleveland—We are interested in a _____ project containing _____ sq. ft. Send me a personal copy of

☐ "The Austin Book of Buildings" Individual _____ Firm _____ City _____ NB 6-30

When writing to THE AUSTIN COMPANY or its branch offices please mention Nation's Business

NATION'S BUSINESS



Published at Washington by the Chamber of Commerce of the United States

MERLE THORPE, Editor

What's Ahead for Business

A story of what happened at the Annual Meeting



By Merle Thorpe

WANT to describe, and if possible interpret, a remarkable meeting in Washington of 3,000 business leaders, who discussed "What's Ahead for Business."

The occasion was the Eighteenth Annual Meeting of the Chamber of Commerce of the United States. Every industry was represented, from automobiles and asbestos, through canning and tanning, and banking, and steel making, on to zinc. Every section and city of the United States was represented, from the small towns on the prairie to the banking house of Kuhn, Loeb & Company of New York.

In some 25 meetings and conferences these men, representing all phases of business activities, exchanged views, compared experiences, presented thought-provoking suggestions, and painted collectively in broad national strokes a comprehensive picture of business America as it appears in this year of 1930. They sought to learn, to evaluate and to correlate present economic conditions and what they indicate for the future.

It was a fine picture of the United States Chamber of Commerce in action. It is a great experiment in democracy;

that of a purely democratic organization standing between government and business interpreting each to each and patriotically assisting government in the solution of economic problems.

The genesis of the Chamber

I MIGHT explain how it came about in this way:

A United States Senator in 1911 arose in his place and said:

"I received this morning a telegram from the Chamber of Commerce in my city urging me to vote against this bill, saying it would work a great hardship to the commerce of my state. This afternoon a telegram came from an association of business men 12 miles from my

city, urging me to vote for the bill, declaring it would greatly benefit the Northwest.

"What," he exclaimed, "does business think?"

Conflicting voices answered when the people's representatives, approaching business legislation, strove intelligently to fulfill the wishes of their constituents. A locality looked upon a national question from its local point of view and voiced a local, one-sided conclusion. An industry or trade studied a national question from its own particular viewpoint and presented an incomplete judgment. Each was honest and sincere, yet each unconsciously magnified self-interest and prescribed a restricted view.

Business as a national voice was inarticulate. Popular journals cast discredit upon business men who offered assistance to government, and often, quick-fired popular clamor induced statesmen to steer another course.

Needed counsel from the hard-bought experience of business on business questions was lacking. In its stead was a babble of voices, speaking a confusion of tongues.

The business of the Nation was

changing. Old-time questions—relatively simple—were giving way to new and complex problems. Business and legislation were confronted with them on every hand. The Government, once a simple institution remote from the individual, had become a vast establishment with new contacts with the citizen and his activities.

What does business think? The Senator's question was asked in many forms by many men, who foresaw the necessity of a national aspect of business, and that national aspect translated into terms of patriotic counsel for those entrusted with the task of intelligently bringing all interests into co-ordination for the common good.

President Taft and Secretary Nagel invited business men to Washington to work out a plan. The result was a federation of business organizations grown to over eighteen thousand with an underlying membership of 900,000 business men, serving every legitimate interest of business with an ideal which has been adhered to from the beginning, that "if it is not for the public good, it is not for the good of business."

It is the Chamber of Commerce of the United States, the most democratic organization in the world. The power and jurisdiction lie wholly in the member organizations. No statement of policy can be made until the representatives of these 900,000 business men have spoken, and that opinion comes only after wide debate, with both sides of every question fully presented.

Full and frank discussions

THE Eighteenth Annual Meeting of this Chamber ran true to the American tradition which holds that all questions of intimate concern to our people should be debated, considered and surveyed in all their phases, openly and frankly, and with full freedom and impressive earnestness—yet unmarred by personal feeling or rancor.

All I can hope to do in describing the meeting is to give some of the high lights. Every timely subject was put under the microscope and the telescope, from agriculture to education, from European cartels to old-age pensions, from petroleum to silk stockings. Every proposal was met with equally pertinent and equally suggestive and stimulating counter-propositions.

The keynote of the meeting was sounded when President William Butterworth, of Deere & Company, stated that "we are all, in a very real sense, partners in this great enterprise which we call American business. And so it

is that enlightened self-interest very distinctly tends to a sane social point of view. This is clearly manifest in the attitude of American business toward the American standard of living. It is obvious that an impoverished public cannot buy, and it is equally obvious that business cannot exist if it cannot sell."

Julius H. Barnes, chairman of the National Business Survey Conference, gave a graphic picture of the part played by organized business mobilized under his direction last fall to cooperate with President Hoover in tempering the shock of the stock-market crash.

A heartening measure of the new resourcefulness of business, its larger realization of its responsibilities, was indicated by Mr. Barnes when he said:

"In 1921 business men came to Washington to find out largely what the Government was going to do; in 1929 they came to pledge what they themselves were going to do."

Four major conclusions were reached by Mr. Barnes:

First, that large segments of American industry, such as the utilities and



the railways, are progressively carrying out the construction programs for the year 1930, which they reported at the first Conference on December 5. Second, that there is throughout all industry a production of goods to meet current consumption. Third, there has been a policy of cautious merchandising in retail distribution. And fourth, we may reasonably expect shortly an expansion of our foreign trade.

Secretary of Commerce Lamont asserted that "since 1921 business and government have developed a flow of statistical information which has no parallel in any other part of the world."

"The time is now at hand," he said, "when business men should get behind

a policy for the further development of statistics on production, stocks, employment, the construction industry and many other activities which would make it possible to keep business informed currently as to the basic facts upon policies which must be predicated."

A single note dominates

IN all the discussion of such diverse, yet interdependent subjects as banking, construction, exporting, agriculture, industrial development, insurance, waterways, distribution, natural resources, trade practices, taxation, and the relation of business with government, I heard a certain dominant note.

For the first time organized business is concerning itself less with the volume of business than with the methods of business. It is applying itself to the question not of how much it can produce, but how well, how efficiently and how profitably it can produce.

There was expressed on every hand, openly or implied, a distinct emphasis on the qualitative rather than the quantitative, on the intensive rather than extensive programs of industrial advancement.

A new plan was set forth for facilitating the financing of building projects by Fenton B. Turck, Jr., chairman of the National Building Survey Conference.

"In ordinary building operations," he said, "the seasonal peaks are so high in spring and fall that labor's total employment amounts to only 150 days a year. By bringing modernization abreast of the times, work will be provided for the seasonal dull periods where the building trades now find their lowest measure of employment."

This is important to each of us, for the dollar spent in construction reaches more people perhaps than a dollar spent anywhere else.

The problem of taxation figured again and again in the discussions. Felix McWhirter, of Indianapolis, chairman of the Chamber's special committee which has been at work for two years on state and local taxes, told us bluntly that as a nation we are spending too much, that we are raising our public funds from a muddled system of taxation, riddled with inequalities and unnecessary complications.

The cause of more businesslike expenditure of public money was ably championed by President Fred W. Sargent, of the Chicago and Northwestern Railroad Company.

I listened with intense interest to the
(Continued on page 77)

The Future's Challenge to You

By William Butterworth

President, Chamber of Commerce of the United States



WILLIAM BUTTERWORTH



BUSINESS of late has been face to face with realities that could not be brushed aside with a gesture, conditions that challenge its resources of intelligent leadership.

We are engaged as never before in tremendous enterprises on which our fellow men are dependent for a livelihood. We are all partners in this enterprise and only by working as partners can we fulfill our obligation

every community engaging in it. In the cities that have taken part, marked reductions in per capita fire loss are shown. Fire insurance rates in many cities also have been measurably reduced.

For the last decade the Chamber has stood out among business organizations as an uncompromising advocate of equitable levy and budgeted expendi-

ture of federal revenues. It has at all appropriate times presented the viewpoint of the national business community, favoring such reductions of federal taxation as are consistent with proper fiscal needs of the Government and consistent likewise with ample provision for the retirement of the national debt. The reduction of some \$160,000,000 in taxes on 1929 incomes, both corporate and private, by joint congressional action, is distinctly in harmony with the Chamber's policy.

Lower local taxes

MOREOVER, the past year has witnessed measurable achievements under the Chamber's sponsorship in the field of state and local taxation looking toward equitable levy and prudent expenditure.

The rapid growth of municipalities during recent years has resulted in many inefficiencies of development, placing business and industry under severe handicaps. Practical procedures for remedying these situations have been supplied by the Chamber to member chambers.

During the year the views of the Chamber's membership have been canvassed and declared in relation to many important phases of the Federal Reserve Banking System.

The year has likewise witnessed un-

IT IS not part of our purpose to put price tags upon the activities of the Chamber of Commerce of the United States during the past year. It is, however, true that an appraisal of those activities from the most candidly realistic viewpoint reveals measurable, tangible values accruing to the national business community.

In its accounting to its membership, the Chamber lays stress upon its efforts in the broad field of policy declaration and effectuation. That is the field in which the Chamber serves its greatest national purpose.

On the other hand, in its contacts with all the fields of business there are many work-a-day activities of great interest to scores of organizations in our membership — activities that while they do not enter into the category of policy endeavors, nevertheless mean much to the advance of American business.

In the field of distribution, for example, the idea of a national census of distribution factors was developed in Chamber conferences and given impetus by the demonstrated interest of Chamber member organizations.

The interchamber fire waste contest, conducted in an effort to cut down preventable fire waste, is an activity of the Chamber that yields dividends to

abated effort upon the part of the Chamber to aid in the promotion of our foreign trade and in the fostering of our trade relations abroad. Particularly has this effort been directed toward the elimination of obstacles in the way of an expanded and more profitable American export trade.

The year has shown a gratifying interest on the part of industry in improved trade relations. The friendly offices of the Chamber have been availed of in the promotion of some 60 trade practice conferences representing as many industries.

A profitable balance sheet

SPACE will not permit me to go into a more extensive catalog of these activities. These, which I have so briefly outlined, stand out among the many as tangibles that may readily be translated into terms of black ink upon the balance sheet of American business.

Now let us survey the business horizon to discover what's ahead—not merely for the purpose of identification, but for the more important purpose of analysis and appraisal so that we may chart a safe course for our guidance.

Familiar to us all is the long prevailing conception of uncontrollable, haphazard cycles; of peaks and valleys, of high levels reached in bewildering suddenness and terminating in inevitable crashes, subjecting business to lean years of recreative and rebuilding effort.

During the past six months, this traditional theory and likewise American business intelligence have been put to the test. Last fall, a critical situation arose which brought clearly into issue the question of whether the allied forces of business and industry, by a closer coordination of their courage and experience, could demonstrate that the fickle economic cycle could be straightened out into an orderly and harmonious progression.

The urgency of that question gave rise to a significant movement—the National Business Survey Conference. As a result, we have seen, in nation-wide operation, a voluntary regimentation of trained observers and interpreters of business facts and events—responsible men of recognized business leadership who analyzed and reported the exact condition of their industries and their programs.

This assembling of business facts in proper perspective and proportion is based upon the knowledge that rumors are always deceivers and that fear is a bad counsellor, and, moreover, that nothing can be so utterly misleading as

an isolated fact considered apart from its attendant circumstances and its related facts.

For example, my own industry might be depressed, but disturbing as that would be if it were true, it does not indicate that all industry is or is to be depressed, because the factors which are depressing in industry may be seasonal or regional or they may indicate that my industry is in the throes of obsolescence.

These are facts and factors which I must know and which I must duly appraise before I can properly judge my own situation, or indeed, that of general business. These were the sort of facts which the National Business Survey Conference frankly set out to discover.

Through the medium of our chambers of commerce and our trade associations, this revitalizing current of facts is flowing into every part of the country, stimulating communities and individuals to grapple with present facts, and to plan intelligently for the future.

Though the forces of that mobilization are still being applied, already the first pages of a highly significant chapter in economic history have been written. American business has definitely broken new ground. New forces have boldly entered the field and challenged the rule-of-thumb control of economic conditions which has heretofore too generally prevailed.

Business has turned a critical eye upon itself. Out of this frank self-appraisal, a fundamental fact emerges in its proper perspective—that the primary object of business is not social uplift nor, indeed, the fostering of the arts and sciences, but that it is now, as it always has been, profits.

Enlightened self-interest

FROM this primary object, however, flow important circumstances peculiarly timely for consideration. A frankly realistic view of business properly conceives the basis of economic enterprise to be enlightened self-interest, which is always to be carefully distinguished from an interest which is narrowly selfish and oblivious to all but immediate ends.

We are now engaging, as never before, in enterprises not only tremendous in themselves, but upon which millions of our fellow citizens are dependent for a livelihood. Thus we are all, in a very real sense, partners in this great enterprise which we call American business. And so it is that enlightened self-interest distinctly tends to a sane social point of view.

This is clearly manifest in the attitude

of American business toward the American standard of living. It is obvious that an impoverished public cannot buy, and it is equally obvious that business cannot exist if it cannot sell.

Thus, a high standard of living is not only in the interest of the public but decidedly in the interest of business, and business is as zealous in encouraging and promoting that standard as is each individual to maintain it.

Business has been measurably successful in solving the problems of production and distribution, and indeed, a more equitable sharing of rewards. But perfection has by no means been attained, and it would indeed be shortsighted for business idly to dismiss any sound, critical analysis of our present system.

Our growing responsibility

IF, IN our individual business enterprises, we close our eyes to facts and pertinent criticism we do so at the risk of a rude awakening. A similar blindness on the part of the business community to the fact that our business opportunities entail corresponding and ever-widening responsibilities, must inevitably bring about reprisals.

I am convinced that if our future holds in store a season of business baiting at the hands of lawmakers or other governmental authorities, that that relatively small part of the business community which breaks the canons of fair play will be responsible.

On the other hand, I am firmly convinced that as long as the public understands that business, itself, realizes that it holds its tenure of liberty on good behavior, the public, realizing its partnership in the economic enterprises of the nation, will not raise a cry for reprisals which will abridge legitimate business liberty.

Business, moreover, must frankly face the inevitability of change. Change is omnipotent; nothing can resist it. Change—political, social or economic—is either ordered and controlled or sudden, extreme and violent. Business, in very large measure, may determine whether change will be an orderly development or of an eruptive character.

Thus there can be nothing that bodes ill ahead for business if we keep the right sort of leadership at the helm—a leadership of initiative and courage and imagination, a leadership, in fine, which predicates policies upon a broad foundation of articulated facts and which has courage to urge the application of measures that prudence and common sense dictate, when and where needed.



Constructive Help for Business

By Herbert Hoover

The President's address at the Eighteenth
Annual Dinner of the Chamber of Commerce of the
United States • May first

WE HAVE been passing through one of those great economic storms which periodically bring hardship and suffering upon our people. While the crash took place only six months ago, I am convinced we have now passed the worst and with continued unity of effort we shall rapidly recover. There is one certainty in the future of a people of the resources, intelligence, and character of the people of the United States—that is, prosperity.

On the occasion of this great storm we have for the first time attempted a great economic experiment, possibly one of the greatest of our history. By cooperation between government officials and the entire community, business,

railways, public utilities, agriculture, labor, the press, our financial institutions and public authorities, we have undertaken to stabilize economic forces; to mitigate the effects of the crash, and to shorten its destructive period.

I believe I can say with assurance that our joint undertaking has succeeded to a remarkable degree, and that it furnishes a basis of great tribute to our people for unity of action in time of national emergency. To those many business leaders present here I know that I express the gratitude of our countrymen.

It is unfortunate, in a sense, that any useful discussion of the problems behind and before us has to be expressed wholly in the cold language of economics, for I realize as keenly as anyone can that

individually they are not problems in science but are the most human questions in the world. They involve the immediate fears of men and women for their daily bread, the well-being of their children, the security of their homes. They are intensely personal questions fraught with living significance to everything they hold dear.

How best to help people

THE officers of a ship in heavy seas have as deep a consciousness of the human values involved in the passengers and crew whose lives are in their keeping, but they can best serve them by taking counsel of their charts, compass, and barometer, and by devotion to navigation and the boilers. In like manner, the individual welfare can best be served by us if we devote ourselves to the amelioration of destructive forces for thereby we serve millions of our people.

All slumps are the inexorable con-

sequences of the destructive forces of booms. If we inquire into the primary cause of the great boom on the stock exchanges last year we find it rests mainly upon certain forces inherent in human mind. When our Nation has traveled on the high road to prosperity for a considerable term of years, the natural optimism of our people brings into being a spirit of undue speculation against the future.

These vast contagions of speculative emotion have hitherto throughout all history proved themselves uncontrollable by any device that the economist, the business man, or the Government has been able to suggest. The effect of them is to divert capital and energy from healthy enterprise—the only real source of prosperity—to stimulate waste, extravagance, and unsound enterprise, with the inevitable collapse in panic.

Diminished panic

OUT OF the great crashes hitherto there has always come a long train of destructive forces. A vast number of innocent people are directly involved in losses. Optimism swings to deepest pessimism; fear of the future chokes initiative and enterprise; monetary stringencies, security and commodity panics in our exchanges, bankruptcies and other losses all contribute to stifle consumption, decrease production, and finally express themselves in unemployment, decreased wages, strikes, lockouts, and a long period of stagnation.

Many have looked upon all this rise and fall as a disease which must run its course and for which nothing could be done either in prevention, or to speed recovery, or to relieve the hardship which wrecks itself especially upon workers, farmers, and smaller business people. I do not accept the fatalistic view that the discovery of the means to restrain destructive speculation is beyond the genius of the American people.

Our immediate problem, however, has been the necessity to mitigate the effect of the recent crash, and to get back onto the road of prosperity as quickly as possible. This is the first time an effort has been made by the united community to this end. The success of this effort is of paramount importance, not only for our immediate

needs but the possibilities it opens for the future.

The intensity of the speculative boom on this occasion was, in my view, as great as or greater than any of our major manias before. The intensity of the slump has been greatly diminished by the efforts that have been made.

We—and as we I speak of many men and many institutions—have followed

terest rates have steadily decreased and capital has become steadily more abundant. Our investment markets have absorbed over two billions of new securities since the crash. There has been no significant bank or industrial failure. That danger, too, is safely behind us.

The acceleration of construction programs has been successful beyond our hopes. The great utilities, the railways, and the large manufacturers have responded courageously. The Federal Government has not only expedited its current works but Congress has authorized further expenditures. The governors, mayors, and other authorities have everywhere been doing their full part. The result has been the placing of contracts of this character to the value of about \$500,000,000 during the first four months of 1930, or nearly three times the amount brought into being in the corresponding four months of the last great depression of eight years ago. All of which contributes not only to direct employment but also a long train of jobs in the material and transportation industries.

We are suffering from a decrease in residential construction, but despite this we have reason to believe that the total construction will still

further expand, and we should during 1930 witness a larger gross volume of improvement work than normal.

For the first time in the history of great slumps we have had no substantial reductions in wages and we have had no strikes or lockouts which were in any way connected with this situation.

The accelerated construction has naturally not been able to absorb all the unemployment brought by the injuries of the boom and crash. Unfortunately we have no adequate statistics upon the volume of unemployment. The maximum point of depression was about the first of the year, when, severe as the shock was, the unemployment was much less proportionately than in our two last major depressions.

A telegraphic canvass of the governors and mayors who are cooperating so ably with us in organizing public works brings with one exception the unanimous response of continuously decreasing unemployment each month and the assurance of further decreases again in May.



"THE outstanding problem and the ideal of our economic system is to secure freedom of initiative and to preserve stability in the economic structure in order that the door of opportunity and equality of opportunity may be held open to all our citizens; that every business man shall go about his affairs with confidence in the future; that it shall give assurance to our people of a job for everyone who wishes to work; that it shall, by steady improvement through research and invention, advance standards of living to the whole of our people"



several major lines of action. Our program was one of deliberate purpose to do everything possible to uphold general confidence which lies at the root of maintained initiative and enterprise; to check monetary, security, and commodity panics in our exchanges; to assure an abundance of capital at decreasing rates of interest so as to enable the resumption of business; to accelerate construction work so as to absorb as many employees as possible from industries hit by decreased demand; to hold up the level of wages by voluntary agreement and thus maintain the living standards of the vast majority who remain in employment; to avoid accelerating the depression by the hardship and disarrangement of strikes and lockouts; and by upholding consuming power of the wage earners in turn to support agriculture.

We may well inquire into our progress thus far. We have succeeded in maintaining confidence and courage. We have avoided monetary panic and credit stringency. Those dangers are behind us. From the moment of the crash, in-

All these widespread activities of our business men and our institutions offer sharp contrast with the activities of previous major crashes and our experiences from them. As a consequence we have attained a stage of recovery within this short period greater than that attained during a whole year or more following previous equally great storms.

While we are today chiefly concerned with continuing the measures we have in process for relief from this storm, and in which we must have no relaxation, we must not neglect the lessons we have had from it, and we must consider the measures which we can undertake both for prevention of such storms and for relief from them. Economic health like human health requires prevention of infection as well as cure of it.

I take it that the outstanding problem and the ideal of our economic system is to secure freedom of initiative and to preserve stability in the economic structure in order that the door of opportunity and equality of opportunity may be held open to all our citizens; that

every business man shall go about his affairs with confidence in the future; that it shall give assurance to our people of a job for everyone who wishes to work; that it shall, by steady improvement through research and invention, advance standards of living to the whole of our people. That will constitute the conquest of poverty, which is the great human aspiration of our economic life.

And these economic storms are the most serious interruptions to this progress which we have to face. Some of you will recollect that following the great boom and slump of eight years ago, as Secretary of Commerce I initiated a series of conferences and investigations by representative men into the experiences of that occasion and to make therefrom recommendations for the future. It is worth a moment to examine our conclusions at that time as tested in this present crisis.

The first of the conclusions at that time was that our credit machinery should be strengthened to stand the

shock of crash; that the adjustment of interest rates through the Federal Reserve System should retard destructive speculation and support enterprise during the depression.

Our credit machinery has proved itself able to stand shock in the commercial field through the Federal Reserve System, in the industrial field through the bond market and the investment houses, in the farm-mortgage field to some extent through the Farm Loan System; and in the installment-buying field through the organization of powerful finance corporations.

But if we examine the strains during the past six months we shall find one area of credit which is most inadequately organized and which almost ceased to function under the present stress. This is the provision of a steady flow of capital to the home builder.

From a social point of view this is one of the most vital segments of credit and should be placed in such a definitely mobilized and organized form as would

(Continued on page 76)

Organized Business Looks Ahead

The resolutions adopted by the Eighteenth Annual Meeting
of the Chamber of Commerce of the United States

SINCE the Chamber's last Annual Meeting American business and the country as a whole have experienced a period of unusual stress and difficulty. During this time the forces both of government and of private business have joined hands in a nation-wide effort to reduce the severity of the depression and to shorten its duration. We desire to use this occasion for an expression of appreciation for the vision and leadership of the President of the United States in his timely initiation of this movement.

Business Survey Conference IN the emergency of recent months we feel private business has responded in a most effective manner. The National Business Survey Conference has rendered a great service to the country by mobilizing the constructive forces of business and public opinion. This has been accomplished by placing the facts of the situation before the public from time to time, cor-

recting unfounded rumors, and serving as a clearing house of information for the guidance of individual judgment.

To develop the spirit and practice of mutual helpfulness among all industries based on a common interest in the maintenance of stable business and employment conditions we recommend continuance of the effort represented by the National Business Survey Conference as a logical means through which to seek this type of information exchange between various industries and lines of business.

Agricultural Marketing WE reaffirm the earlier declarations of the Chamber of Commerce of the United States made through referendum vote of its membership upon a carefully matured report of a representative committee, in supporting the principle that the producers of agricultural commodities should have the benefits which co-operative marketing of their products

along sound economic lines can confer; in pointing out that all agricultural credit requirements could be met by full development and adaptation of existing credit facilities to local and commodity needs, rather than by the creation of new credit facilities; and in advocating a federal farm board to assist agricultural producers and their organizations in solving the problems peculiar to agriculture.

The legislation which was enacted in June, 1929, was in contravention of the Chamber's proposals in its provision of new credit facilities in the form of large sums of money from the public treasury to be used under the Act as the Farm Board might decide. During the business crisis of some magnitude which has occurred during the last six months these funds have been brought into use in various ways.

We recognize the emergency considerations which may have impelled this resort to the federal treasury, but the experience which has been gained now

permits an appraisal both as to immediate effect and long-range results.

The anticipated benefits to the farming interest as a whole have not been realized. On the contrary there has been impairment of the marketing structure and prevention of support which otherwise would have been given to the marketing of agricultural products which were affected by the use of public monies. Without benefit to agriculture there has been imposed unbearable hardship upon business enterprises unable to maintain their position against discriminatory competition from the Government.

We accordingly express our continued opposition to the use of government funds in providing capital for the operation of agricultural cooperatives, and for the buying and selling of commodities for the purpose of attempted stabilization.

We condemn as a permanent policy of Government the employment of public funds for the purpose of participation in business in competition with established agencies and support the proposal for an amendment of the agricultural marketing act to repeal the authority of the Federal Farm Board to use federal funds for such a purpose.

We advocate the continuance of the Federal Farm Board as a proper agency, conducted at federal expense, for the gathering and circulation of authoritative information, for ascertaining conditions of overproduction, for advice as to its prevention, and for assistance toward the solution of the numerous and important business problems affecting agriculture both in production and in marketing.

We believe it is desirable to apply sober and devoted study to methods by which cooperative organizations on their own resources may find their warranted place, without the present danger of undermining marketing facilities and thus unfavorably affecting farm product prices.

We therefore recommend that the Chamber with adequate preparation call a conference of wide representation, including farm cooperative leaders, to study and define measures of sound and effective aid to agriculture.

Public Expenditures

THE Chamber of Commerce of the United States has assisted business men's organizations in developing programs for obtaining greater economy in public expenditures and more substantial equity in taxation.

The results which have been achieved

well justify the Chamber in proceeding aggressively to interest all commercial organizations in the necessity for their taking an active interest in the financial problems of their communities and in stimulating the business men in each community to give increased consideration to means for avoiding waste and extravagance in public expenditures, for securing uniformity in city, county, and state tax legislation, and for simplifying the revenue systems of the several states.

Courts

THE Chamber of Commerce of the United States protests against the passage of any law the effect of which would be to curtail the established jurisdiction of courts of equity to protect by injunction, in proper cases, any rights of persons or property from irreparable injury.

Aeronautics

THE National Chamber has long advocated the use of air transportation to afford more rapid postal service. We believe that only with the extension of air mail lines will the full usefulness of this service be attained.

We accordingly welcome the legislation which is being enacted for the purpose of enabling the postmaster general to place contracts for air transportation of mails for adequate periods on a basis of compensation equitable for the service rendered and to further advance and encourage the development of the country's air transportation system.

We advocate that legislation for this purpose should be kept current with the progress of the art of air transportation, including service overseas as needed for our business and development of our foreign trade.

The importance of uniformity throughout the country in laws and regulations affecting civil flying has been emphasized before by this organization. Much progress has been made by the states in enacting legislation suitable for this purpose.

We now urge that states which have not yet enacted legislation requiring federal licenses for aircraft and airmen engaged in intrastate flying, in order that uniform and high standards may be applicable in all parts of the country, should now enact laws conforming to the recommendations of the Department of Commerce.

The development of the use of gliders should be encouraged under proper standards of design, construction and operation. Aeronautical laws and regulations adopted by the states should, as

under the Air Commerce Act, suitably provide for the inspection, licensing and operation of gliders as well as power aircraft.

Continued development of airports and airways is vital to the efficiency and safety of air transportation and should be encouraged by state and federal governments, including the services of weather reporting, radio direction and communication. To further uniformity in airway markings, lighting and other means of identification, and more efficient and safer use of airports and airways, it is recommended that a conference be called by the Secretary of Commerce at an early date to consider the laws, regulations and practices relating thereto, including local enforcement.

Patent Office

ADEQUATE provision for the administration of the patent system is an important factor in the industrial progress of the country. Congress has recently enabled the Patent Office to increase its staff. We urge that the Patent Office should at all times in its staff and through the compensation it pays for efficient services be in a position to perform its functions with that promptness and that accuracy which are essential for the welfare of American business enterprises.

Pay in Armed Services

EXISTING PAY schedules for the Army, Navy, Marine Corps, Coast Guard, Coast and Geodetic Survey, and Public Health Service contain inequities in the rates of pay for different ranks and have been in force so long in substantially their present form as obviously to require revision in accordance with present conditions.

We believe that there should be such a revision as will place the rates of pay for the several ranks in their proper relations and will afford compensation appropriate to the standards which should be maintained in these services.

Forestry

THE broad principles of a national forestry policy have been formulated by the National Chamber in a referendum on that subject. Experience has demonstrated that the movement toward maintaining the nation's forest resources could be further accelerated. Private forest land owners should study the practicability of organizing forest properties and manufacturing plants on a basis of sustained yield in cutting and

(Continued on page 78)

The New Philosophy of Stabilization

By Julius H. Barnes

Chairman, National Business Survey Conference

IN these last few months American business is weathering a storm of peculiar origin and unusual stress. Business leadership is attempting to restore stability by a new philosophy, probably possible in no other country or era.

The underlying philosophy is that America has reached such a stage in its development that recovery of stabilization can be attained by individual action guided by mutual counsel. In such a theory, accurate information must be made the common possession and translated into action through applied individual judgment.

To preserve the every-day processes of trade, the orderly habits of our people must be maintained by eliminating as far as possible,



JULIUS H. BARNES

- **WHEN**, after the depression last fall, business men united with Government to bring back prosperity, they were guided by a realization of their responsibility to their country and their neighbors. As head of the organization brought together by President Hoover, Mr. Barnes is in a position to explain this responsibility and the methods that were taken in meeting it

unemployment or the fear of unemployment. In such an effort there must be the most intelligent and sympathetic cooperation between government and industry.

It will be recalled that last fall a buoyant security market fell suddenly with a sharp value shrinkage which alarmed the country. The average price of industrial stocks on the New York Stock Exchange sank from a high average on September 3 of 381 to an average on November 3 of 199. This deflation, which took place in only 60 days,

represented a shrinkage in value of listed stocks estimated at 20 billion dollars.

In passing, it is well to realize that in five months this average of industrial stocks has again advanced to 293 and now is higher than the average of a year ago.

By the middle of last November, it became clearly apparent that the extraordinary shock and bewilderment in the business community threatened to undermine initiative and confidence and might disorganize the business fabric.

At this point, the President of the United States acted. Informal conferences with leaders of large American industries most readily available indicated a course of action based on joint action by industrial leadership. On the suggestion of the President and of these advisors the Chamber of Commerce of the United States called the National Business Survey Conference in Washington, December 5.

The President opened this meeting. He laid emphasis on action and work as the cure for such situations as the one confronting the Conference, and thus struck the keynote of its deliberations.

As a result of the deliberations, the Conference designated a chairman (myself) and commissioned him to select such committees as would develop the continuing work of the Conference. An executive committee of 21 and a larger contact committee extending through a wide range of trade organizations was selected.

Organized for construction

SECRETARY of Commerce Lamont undertook to organize the Department of Commerce for contact with public authorities and such construction of public works as buildings and highways. This work has been continuously and effectively carried out.

Congress expedited a measure for tax reduction.

The Federal Reserve Board and the Reserve Banks progressively encouraged the relaxation in money rates and intelligently aided the growing reservoirs of credit.

The Postal Service expedited issuance

of mail contracts which are now beginning to reflect in new ship construction.

The Chamber put its organization, its staff personnel and its resources behind the Conference's effort.

It is interesting to compare the problem and the method of applying remedies last fall with the problem and remedies in 1921.

In 1921, the Conference was called nine months after the crash; in 1929, it was called within three weeks.

The 1921 Conference required a great deal of preliminary work; the 1929 Conference was ready to move with machinery and information and contact already developed by the orderly everyday service of American industry.

In 1921 business men came to Washington to find out largely what the Government was going to do; in 1929 they came to pledge what they themselves were going to do.

To stimulate and guide

ON this background the Business Conference committees have worked steadily with several major objectives:

First to stimulate all possible prudent construction and to encourage maintenance and repair work throughout industry.

Second, by accuracy of statement as to prevailing conditions to guide individual judgment and to reassure the commitments of the directors of industry and, in doing this, to avoid interpretations of optimism which, if discredited, would defeat the very ends they sought to extend.

By these measures it was sought to keep unemployment at a minimum and by thus maintaining the public buying power to keep the wheels moving in both manufacturing and distribution.

In support of these policies, summaries of business conditions in the various lines of industry have been issued from time to time.

From the latest business summary, issued April 25—which reviews the conditions in American industry after six months of stabilization effort—may be drawn certain conclusions:

First, that large-scale American industry, including the utilities and the railways, is carrying out progressively the larger construction programs for 1930 which they reported at the first Conference, December 5.

Second, there is throughout all industry a manifold production of goods suited to current consumption.

Third, there has been a policy of cautious merchandising in retail distribution.

These conclusions are reassuring evidence of the healthy condition of manufacturing and distributing and contain a promise of enlarged future activity.

Industry on a larger scale

PERHAPS such a time of stress has been needed to bring clearly into view the new and enlarged hazards of modern industry. The reliance of production on new methods of machine and power equipment requires large capital investment in individual industry. This capital investment aids in enlarging the effective production of workers. This production justifies America's high wage scale, from which flows the buying power that sustains industry.

But, as never before, we find industry subject to hazards bred of chance inspiration or patient laboratory research. No industry can say when will come its turn to face the peculiar problem of re-adaptation.

If we are to keep American industry strong, virile, confident and enterprising, we must understand that soundly conducted industry now as never before must plan to build its reserves and insurance against these new hazards.

In this field, Government itself must take a new and longer view of its peculiar responsibility.

Tax policies, for example, should be framed to stimulate and encourage ventures of new capital in expanding old and new industries. Public regulation of utilities should have a new breadth of vision and fairness.

There is a realization that intelligent direction of industry must spread and stabilize employment against the crests and depressions of former years. Much progress in this direction has been made. More progress can be made.

In the Business Survey of April 25 a fourth conclusion stands out: There is evidence of trade disturbance in other countries more general and widespread than is yet realized here.

In Europe, our great market, the high money rates of last year begin to show evidence of relaxation. An increase in available credit promises an improvement in industrial operations. European markets, to us, are curtailed somewhat by recent changes in protective tariffs or by other so-called protective measures, perhaps themselves somewhat the outgrowth of resentment against our long-drawn tariff discussion and changing tariff schedules. Here again, we seem to be approaching a condition of clarification, at least to the extent of definite ascertainment of tariff barriers or obstructions both at home and abroad.

Merchant resourcefulness can often surmount trade barriers when those barriers are definitely defined.

Thus, we may reasonably expect shortly an expansion of at least a part of our foreign trade.

It is well to remind ourselves here of certain advantages we possess, of certain achievements we have made, and of certain forces which must be reflected in national progress.

America possesses great natural resources. It is transforming those resources into articles of human service.

That our resources and habits of industry translate themselves into actual achievement is proved by our 55 million savings accounts; 65 million life insurance policies; 20 million stockholders in corporate ownership; 25 million automobiles; and 20 million telephones.

That we have not only a highly effective business organization, but the fairest social distribution of wealth and income is shown in the comparisons of our annual earnings today with those of 20 years ago. Then 49 per cent went to others and 51 per cent to workers. Today 43 per cent goes to owners and 57 per cent to workers.

All this makes for social security, reflected not only in our materialistic accomplishments but—finer even than these—in the great army of students in our advanced institutions of learning, a student body larger than those of the rest of the world combined.

Every promise of success

FROM this conservative survey of possessions, achievements and incentives to education and training which inevitably bring about individual judgment and self-control, we have a right to believe that a great experiment in voluntary stabilization can be made progressively effective.

I hope that in every community there will be developed out of an experience of common distress every agency of sympathetic cooperation between industry and finance, between strong industry and weak, between employer and employee. I also hope that on the basis of such community understanding there can develop a great web of national business organization which will give every promise of effective effort.

It may well be that, properly developed, such a fabric of local and national influence in behalf of all honest industry can be utilized to contribute something of real stabilization in times of orderly everyday economic life, as well as in times of business stress.

How to Keep Business in Balance

By Robert P. Lamont

Secretary of Commerce

THE Committee on Recent Economic Changes of the President's Conference on Unemployment reported just a year ago. The Committee particularly stressed our national need of a technique of economic balance, stating that "research and study, the orderly classification of knowledge, joined by increasing skill, well may make complete control of the economic system a possibility."

Events since the report was published have emphasized our need of balance and have suggested an approach to the problem. Obviously, statistics are fundamental to such a technique.

The Department of Commerce is engaged this year in taking the decennial census of the United States, collecting a tremendous mass of information about the one hundred and twenty million people who inhabit this country, who they are, where they live, if they rent or own their homes, if they have a radio set, if they are farm or city dwellers, their sex, race, age, marital condition, education, mother tongue, citizenship, occupation, employment, and whether or not they are veterans of our military or naval forces.

Measuring progress

WE are not only enumerating the population and taking the agricultural census; we are, for the first time, taking a census of distribution, and, again for the first time, we are taking a thorough-going census of unemployment. In planning both of these undertakings the co-operation of the business groups and the Government has been very close. As a result, we expect to provide new bench marks for measuring further progress.

But I do not put statistics first merely because this is a census year. Current economic information becomes progressively more and more important. President Hoover's interest in developing this work is known to all of you.

Upon taking office as Secretary of Commerce, he stated that the assembl-

ing of data on various basic materials in regard to production, productive capacity, current consumption, and stocks on hand, was one of the more urgent projects upon which he expected to call for voluntary cooperation from business men. Your participation and the Government's activity since 1921 have developed a flow of statistical information which has no parallel in any other part of the world.

When the Survey of Current Business was started by the Department of Commerce in 1921, there were available only a few hundred series of statistical data which could be placed on a monthly

There can be no question but that these statistical indicators have played an important part in promoting such prosperity as this country has witnessed during recent years. Even during the recent difficulties through which business has passed, there was no significant increase in the stocks of manufactured commodities. In October of last year, the index of the stocks of 28 such commodities showed an increase of less than 14 per cent over the average for 1923-25. The fact that there was no such pyramiding of commodity stocks as has been witnessed in preceding periods has been due very largely to the better statistics which the business man has had at his command.

Great as has been the progress in the development of current statistical measures, there is still much that needs to be done. It seems to me that the time is now at hand when business men should get behind a policy for the further development of needed statistics on production, stocks, employment, the construction industry and many other activities which would make it possible to keep business informed currently as to the basic facts on which policies *must* be predicated.

President Hoover's interest in the problem of economic balance and the continuing reduction of unemployment reaches back into his experience as an engineer. In 1920, before he became Secretary of Commerce, he set up a committee on the

elimination of waste in industry. In 1921, as Secretary of Commerce, he proposed to President Harding the desirability of calling the first national Conference on Unemployment, and out of that conference with the collaboration of business groups and the Department of



UNDERWOOD AND UNDERWOOD, WASHINGTON

Robert P. Lamont

basis. Today, the Survey of Current Business publishes upwards of 2,000 such series of statistics and, in many instances, the figures published there are only summaries of the much greater detail that is available for those particular industries.

Commerce came the most significant efforts which we have yet seen directed toward greater stability in business and the reduction of unemployment.

The work of the Conference in the winter of 1921-1922 aided in the business revival.

It was followed by an investigation of the fundamentals of unemployment which resulted in the report in April, 1923, by a committee under the chairmanship of Owen D. Young, exploring the problem of reducing the extremes of business cycles.

Another committee reported in 1924 on construction as a balance wheel of industry, covering the ways to reduce the seasonal ups and downs in building and construction. Still a third—the Committee on Recent Economic Changes in the United States, under President Hoover's personal chairmanship—reported a year ago on the relative degree of business stability in the years since our recovery from the depression of 1920-1921, and recommended the development of "a technique of economic balance."

The report on Recent Economic Changes forms the background for the National Business Survey Conference, and the stimulation of public and private construction during the past five months.

The Conference on Unemployment of 1921 was called months after the depression began; the National Business Survey Conference was called immediately after the stock market crash; the Unemployment Conference of 1921 required elaborate preparatory work by experts; the Business Survey Conference had basic information ready at its command.

Our bankers, farmers, business men and labor leaders could speak with authority. The effect of the conference of 1929 has been to shorten the depth of the depression and thus to reduce its area and its duration.

Speeding up construction

AT THE request of President Hoover, the Department of Commerce has set up a Division of Public Construction to aid in coordinating efforts to speed up public works.

Such speeding up is sound and prudent and makes a definite contribution to business activity of various sorts and reduces unemployment. In general the country is behind in its program of permanent improvements.

Our recent experience and our studies plainly show that adequate planning must be done well in advance. Where

public construction programs have been set up, where adequate budgets have been arranged for, where expenditures have been planned over a series of years, operations can be accelerated, making a substantial contribution to stabilization. The immediate authority to go ahead with public construction projects lies, of course, in the hands of administrative officials—federal, state, county and municipal—and with legislative bodies.

In some cases where improvements are financed by special assessments, the active support of property owners must also be obtained.

It is important for all of us to understand the importance of this program, suggested by President Hoover and endorsed by the state governors. It is in keeping with the principles of our democracy that citizens should show their active interest in important matters of public policy such as this, and that they should lend their moral support and encouragement to officials who are interested in the "energetic, yet prudent, pursuit" of public works construction.

Local chambers of commerce throughout the country have been keeping in touch with local officials in regard to specific pending projects and their friendly interest has been of direct as-

sistance to the officials. If it had not been for the understanding by business men of the economic principles involved, it is probable that the value of public works construction contracts would have tended to decrease rather than increase.

Out of reports received from 24 governors, 18 show that a considerably greater value of highway contracts were added during the first quarter of this year than during the first quarter of 1929, the actual totals for the 24 states as a group being \$84,000,000 this year as compared with \$32,500,000 a year ago.

Greater volume of building

A TABULATION of construction contracts shows \$334,000,000 for public projects in the first three months of 1930, compared with \$248,000,000 for the first three months of last year, or an increase of 35 per cent. In the same period municipal bond issues increased by about eight per cent.

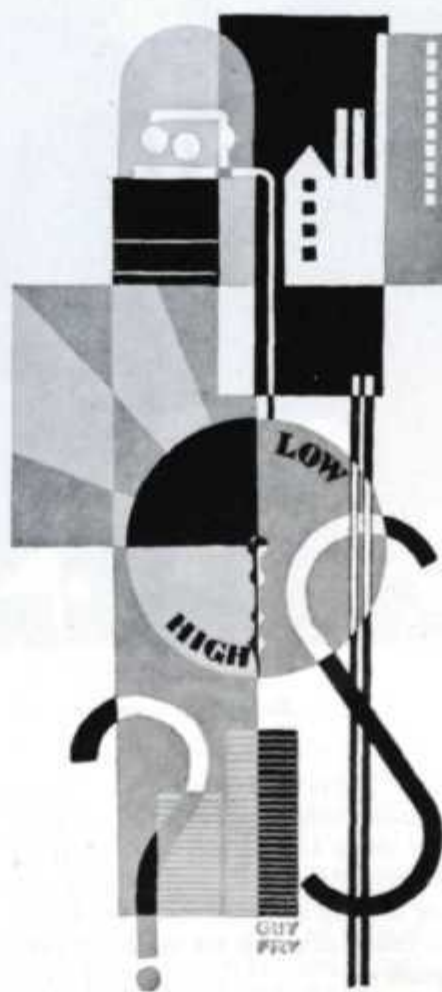
Economic balance is an intricate problem. There are whole industries and individual manufacturers with methods to stabilize their production from month to month and from year to year. The programs for better local stabilization in real estate and building are other elements that in turn can be broken down into items which can be dealt with separately.

Various fields of finance, including the commercial banking system of the country, whose operations are intimately tied up with the Federal Reserve System, investment banking, savings institutions, building and loan associations, and other groups connected with home financing, all have their problems—some of them of a national character, and some local.

Home financing, particularly outside of the customary first mortgage, is a sore spot from the point of the home-seeker and of good housing, as well as contributing to instability in real estate and home building.

Finally, there are many governmental policies—federal, state and local—affecting economic balance, which are constantly in need of determination and adjustment.

Frank recognition on the part of business men of the public interests involved, which public officials are bound to protect, and a sympathetic understanding on the part of government officials of the practical problems of business men, are of the utmost importance to building up and maintaining our business equilibrium.



1. The Farm Board and Business

By ALEXANDER LEGGE

Chairman, Federal Farm Board



Alexander Legge

IT IS perhaps unnecessary to quote statistics to show that there is an agricultural problem. Nevertheless, I am going to delve into the past.

In 1925 the National Industrial Conference Board studied the situation and made a report. That report said:

"American agriculture appears to have fallen out of step with the general economic development in the country."

A number of reasons were cited; farmers lacked national organization to deal with the surplus problem; lacked "organization and system in marketing," and "lacked organization, standardization and grading in marketing" resulting in excessive costs of distribution.

Fiscal, tariff and immigration policies, industrial efficiency, industrial, financial, trade and labor organization, transportation and credit were cited as other influences affecting agriculture adversely.

"If agriculture is confronted with fundamentally adverse conditions, making for a general and persistent inequity and maladjustment," the report said, "they not only menace the progress and prosperity of American industry, commerce and trade, but deeply affect the future economic development, the social advancement, the political unity and the national security of the United States."

Studied agricultural problem

IN THAT report, business men were urged to study the agricultural problem and to suggest remedies, with the result that the Chamber of Commerce and the National Industrial Conference Board appointed the Nagel Commission, which made a long report, agreeing fully with the one of the Industrial Conference Board as to the plight of agriculture and the causes. It advised business men:

"No unrest as formidable as that witnessed among certain groups of farmers in recent years can be sustained without a real grievance; and sugar-coated political pills will provide no lasting relief." Speaking of the views of individual

members of the Commission the report said:

"They are forced to the conclusion that the accepted economic measures do not cover the farmer's case; and that this situation presents a new challenge to economic and political advisers."

On the subject of organized action by producers it was asserted: "Coopera-

tive movements looking to standardization of crops and more advantageous marketing may depend more immediately on the farmer's own initiative; but here, too, private aid may prove effective, and certainly the state may give direction and stability by providing suitable authority and conditions."

The Commission suggested "stabilizing agricultural income by government aid," and proposed that a Federal Farm Board be created to assist in this.

It was proposed that these stabilizing efforts should be through corporations financed jointly by farmers' cooperatives, private business interests and the Federal Government.

The report said further that it would "be in the interest of business men to provide not only a share of the initial capital but a part of the working credit because successful operation of such corporations would tend to prevent sudden curtailment of the buying power of agriculture and so would tend to stabilize general business and credit conditions."

Recommended farm foundation

THE Commission sounded this warning:

"If private business and banking interests do not aid in agricultural stabilization, their objections to the entrance of Government into the banking business will lose much of their force."

The National Chamber at its An-

nual Meeting two years ago discussed the agricultural problem. A committee was designated to prepare recommendations. On August 31, 1928, these recommendations were submitted to the members in Referendum No. 52, which committed the Chamber to the creation of a Federal Farm Board with authority to investigate and make rec-

ommendations to Congress but none to go ahead with the solution of the agricultural problem.

In addition to that the Chamber went on record in favor of "the principle of cooperative marketing based upon the established right of the producers of agricultural commodities 'to act together in associations in collectively processing and manufacturing, preparing for market, handling and marketing in interstate and foreign commerce such products of persons so engaged.'"

Results of the referendum were announced November 14, 1928. The vote in favor of the cooperative principle was overwhelming.

I am sure that most of you will agree that you know more about the agricultural situation and how to meet it than I do. A considerable percentage of your membership have made that clear. Perhaps my best answer is to say that if this be true the situation presents a severe indictment of the organization which, having the facts, has made so little effort to remedy the situation.

Constructive work lacking

CERTAINLY none of you has seen any evidence of constructive action by the Chamber of Commerce or its affiliated organizations looking to a remedy for the situation. One might say that your

attitude generally has been one of indifference if not of antagonism.

For a period after the deflation of 1920 and 1921, you probably were justified in believing that the rest of the country could go on being happy and prosperous regardless of the misery of those who produced your food. Anyhow, other business did prosper to a measurable extent for a considerable period before agriculture showed any improvement. At present, however, there is evidence that one of the causes of unemployment and lack of business activity is the lack of farm purchasing power.

Farm depression hurts industry

MANY lumber mills are closing, others are operating part time, and few are breaking even; all due to a sharp decline in the consumption of lumber in the country. More than 50 per cent of the decline in lumber buying is caused by reduced farm purchasing. The farmer uses no substitute steel or concrete, lumber still being the cheapest material from which he can build a home for himself or shelter for his live stock.

Why does this curtailment amount almost to cessation in farm buying? The answer is that under conditions existing in recent years and still prevailing there is nothing to encourage the farmer to improve his property.

One modern improvement on which the farmer has kept strictly up-to-date is the farm mortgage. Most of them have that. When his financial position is such that he cannot tell whether he can keep the farm, why should he undertake improvements?

After years of discussion Congress finally passed the Agricultural Marketing Act, which many are now branding as socialistic, or anarchistic, and complaining of interference with, or necessitating some readjustment in, the present system of handling certain commodities.

It is difficult to see how agricultural marketing can be improved without some readjustment of existing conditions. The Farm Board believes that principle is sound and the only one that really will give the farmer a chance to get his fair share of the national income.

Congress has declared that permanent solution of the agricultural problem lies in collective action by the farmers. It created the Farm Board to help producers organize for such action, both as to production and marketing of their crops, the purpose being to enable them to put their industry on economic parity with other industries. In that legislation

Congress definitely committed this country to the principle of cooperative marketing of farm products.

The country generally and business men for the most part approved the Agricultural Marketing Act before it became a law. There has been considerable evidence the past several months that entirely too many of your members were for the principle of cooperation only so long as it didn't work. When it became apparent that a means had been provided that really would help the farmer get organized cooperatively, the effort was branded as "government price fixing" and "putting the Government in business."

I do not remember business men complaining against government aid extended to the manufacturing industry, to transportation and to finance. These all played their part in adding to the disadvantage of the farmer as did also the preferential treatment to labor through immigration restriction and other measures.

We are not complaining about what the Government has done for others but these beneficiaries should be willing that the farmer also be given help from the same source so that he, too, may take care of himself in the economic system.

The protective system started with the creation of a Tariff Act providing 20 per cent ad valorem duty. That was more than one hundred years ago. During all these years the farmers have patiently looked forward to the time when they would get some benefit from the system that has been built up in this country so largely by special favors.

Business men some time back came to understand that it was money in their pockets to pay wage earners more than barely enough to live on. High wages make the worker a better buyer. If the farmer's income is improved it will help everyone who has something to sell, because his buying power will be increased by just that amount.

The purpose of the Board

THE Agricultural Marketing Act supplies the means necessary to help the farmer help himself out of his present major economic difficulties. His success will depend largely on his own willingness to do his part. The Farm Board is going to give every assistance permitted by the law. Its purpose is to help agriculture, not to hurt someone else.

Strictly in accordance with the law the Board is assisting in organization of large-scale commodity cooperatives, made up of state, regional and local farmers cooperatives. Through these

central commodity associations, producers are expected to control a sufficient volume of the different products of the farm to have bargaining power in marketing them. These agencies are not being formed to set aside the law of supply and demand and artificially raise prices to the consumer, but rather to engage in a merchandising program that reflects prices to their grower members which are in harmony with the actual value of the products based on the potential buying demand.

One of the Board's activities, which has brought in a considerable volume of protest, is the emergency policy of loans to wheat and cotton cooperatives and the subsequent emergency stabilization operation in wheat. The loans were made on a fixed-value basis in an effort to check further and unnecessary depression in wheat and cotton prices which already had suffered serious declines sympathetic with the crash of the security market last fall. In measurable degree we were successful in steadying price levels covering a considerable period of time.

There was much more involved when the stabilization operation in wheat was undertaken than merely the price of that commodity. The whole farm commodities market was threatened.

Through collective action bankers and other business men met the crisis in the securities market last fall at a time declining prices threatened the country with a serious financial panic.

No help proffered farmers

WHEN a few months later the commodities market faced a like crisis the farmers were neither organized nor had the money to go to the rescue. Those who did have the money failed to volunteer any aid although by doing so they would have performed as important if not a more valuable service to the country than saving the stock market.

We hear much to the effect that these operations are putting the Government into business. We wish to assure you that on this point every commodity organization is set up on a basis where as it gains financial strength and experience, it can and will become entirely independent of government aid or supervision.

The natural opposition which so many of you have felt in the past against interference or dictation on the part of your banker or financial backer is quite as pronounced on the part of the farmer as in the case of those engaged in other lines of industry, thus affording constant incentive to work away from it as rapidly as possible.

2. Business and the Farm Board

By DANIEL A. MILLETT

Investment Banker and Stockman, Denver

IN dealing with the subject of Business and the Farm Board we should recognize that we are dealing with a question of large social import. We should therefore approach it in a spirit of fairness, with an earnest desire to arrive at the truth.

To do that we should remember that in this country both the individual and the social or cooperative points of view are valuable and have their place. To fit the things we propose to do into the balance with these two great forces is the problem of our civilization.

Applying the terms of that problem to the subject in hand, how does the policy set up by the Agricultural Marketing Act fit in with our civilization. Is it a sound, workable addition to our national life?

The principal causes which brought about the passage of this Act were sympathy for the farmer and resentment at his economic inequality. Its passage also came about in response to what is apparently a world-wide movement in practically every direction toward consolidation and stabilization. Naturally the question as to why the farmer should be left out was asked.

The answer of course is that the farmer should not be left out, provided he combines in response to economic law. But the assumption that such combinations are, therefore, entirely justified, has its limits in our antipathy to monopolies.

It seems to me we have been led by our study of the ups-and-downs of the business cycle, and our desire to get rid of them, into turning to combinations and "fixing things" as a panacea, until we are engulfed in a veritable "stability stampede." What we, including farmers, need is not more combination, but less interference with the economic law

of supply and demand, functioning through price, because that is the only sure, sound scientific method of eliminating the marginal producer.

What is meant by interference with the action of the law of supply and demand?

Interference, first, by private combinations, controlling or attempting to control production and marketing, and through them price.

Second, by direct governmental action, either by law or administrative bodies. We have seen recent—and uniformly unsuccessful—examples of government attempts to control prices in such cases as the English Control Act dealing with rubber, Brazil's effort to control coffee, and Cuba's many experiments to maintain sugar on a profitable basis.

Finally, interference by indirect government action through tariffs which tend to impede the

exchange of commodities by artificially raising prices. That is hardly a salutary procedure in the face of a surplus of commodities in the world, accompanied by world-wide unemployment, as evidenced by the world-wide fall in commodity prices.

It would seem more sensible for each country to produce those products which it can produce at the greatest comparative advantage, to be freely exchanged for the comparatively advantageous products of other countries. The total economic goods of the world would thereby be increased, the per capita division increased, and the standard of living raised.

But some concession may be made by sound economics in favor of the use of tariffs for revenue, for protection of industries essential to national defense and, temporarily, for infant industries.

The principle of this concession is widely different from the general policy of protection for protection's sake.

It is obvious that to make combination effective, either through private combination, direct governmental administration (in which class the Agricultural Act falls) or tariff, production must be controlled.

The Federal Farm Board recognizes this fact for it recommends for this coming crop year a reduction of at least 10 per cent in wheat acreage, and says 20 per cent would be better. It also recommends a reduction in cotton acreage.

Government vs. economics

WHAT is the difference between control of production by governmental advice as it is being attempted by the Farm Board, or by governmental compulsory measures which are impracticable, and that exercised by the economic law? Just this:

The Farm Board says to all producers of wheat, cotton, or any other agricultural commodity, "Reduce your acreage a certain percentage."

The economic law says, "Production must be decreased by eliminating the marginal producer."

The economic law does not advise a uniform reduction of acreage, but silently draws a line—the margin—and the high-cost producer on the line or below it stops producing, leaving the low-cost, efficient producer continuing, or even increasing his production, to the welfare of society.

My guess is that the low-cost, efficient producer will not cut his production, nor should he, because he is soundly following the dictates of the economic law, and is thereby benefiting all of us.

Incidentally, this decreased production policy virtually nullifies the Agricultural Financing Acts, and the work of the Department of Agriculture, for the last half century. Out of the Agricultural Financing Acts grew the Federal Land Banks, the Federal Intermediate Banks, and the Joint Stock Land Banks. Loans through these banks are



Daniel A. Millett

made (as are loans through the various subsidiaries of the Farm Board) at a more favorable rate of interest than obtains in the open local market. The natural effect of such loans is to increase agricultural production, which they have undoubtedly done.

Through governmental action in establishing these banks we have cheapened one of the items of the cost in farm production, interest, and have increased the amount of credit available for agriculture. The only economic justification for this procedure would be to increase production and to decrease the cost of the products.

As for the Department of Agriculture, it has for 50 years instructed the farmers in methods of increasing production, to the end that the unit cost of production might be reduced.

To amend economic law?

WHAT a glaring inconsistency, to set up at the cost of the taxpayers one set of government institutions to increase agriculture production, and lessen its cost, and then set up other government institutions to increase the price of the thereby created surplus and to limit production.

This inconsistency is merely another example of the fallacy of interfering with the economic law. It costs the taxpayers money.

Marketing, as well as production, must be controlled to make combination effective.

While, as I have pointed out, the Agricultural Act does not yet give the Farm Board dictatorship over production, though that body is advising the unsound policy of reductions, the aspect as regards marketing is more serious. The Act gives the Board, through its controlled subsidiaries, what may become monopolistic control over American markets for agricultural products.

Obviously no individual or combination could, for example, run an elevator or lend money to farmers in competition with the Government under this Act.

Profit and loss mean little and philanthropic, not business, methods are encouraged by the Act, which in effect says to men entrusted with its administration, "You go ahead and spend one-half billion dollars for the Government, not as you would handle your own business, facing the penalty of loss, but on the general theory of probability in helping agriculture, and with the hope that the transaction will come out all right."

Thus, in its intent and language the Act violates the sound and proven rule

of business, that penalty of loss must rest on the loser, as an ever present controlling factor, in order to insure efficiency.

The men in the great marketing and distributing businesses of this country, with their enormous investments of capital in plant and organization, properly fear the working of this Act. It is evident that in the long run they cannot compete with their Government, which they support and supply with funds through taxes—which taxes are used to their undoing. Are they so corrupt or antisocial and inefficient that the time has come to eliminate them?

Let's give the economic law a chance to do that first. They were built up in response to demand and need. I, for one, do not believe they have served their purpose and are ready to be junked. In fact, such procedure would be sheer economic waste.

The Farm Board may insist that it has no intention of eliminating those established agencies, but the fact remains that the power is placed in an administrative board to eliminate them. The placing of such a power is not in accordance with our ideas of governmental functions.

Whether the Board can control prices depends on control of production, but even without such control it has attempted to hold up the price of wheat and cotton. The cases of rubber and coffee and sugar show how futile this is in opposition to the economic law operating in world markets.

The Board has announced that it expects to hold 100 million bushels of wheat by the time the new crop comes in. It is also reported that its cooperatives will accept delivery on a large amount of cotton. This, whether done directly by the Board subsidiaries or not, is made possible by access to the Treasury of the United States. What is to be done with it?

Who pays for the loss?

IT OVERHANGS the market for the new crop. The Board says frankly that if it cannot be sold without loss, that loss will have to be charged against the revolving fund from the Treasury, which brings us to the question:

Who will pay the bill?

The setting up of what practically amounts to a new department of government under this Act must entail increased governmental expense. I am aware that the Act is hopeful that under the agencies established a profit will be earned that will carry the load.

On the other hand many well in-

formed persons believed that unless great care is exercised the entire revolving fund will finally be lost and under the express encouragement in the law itself to make loans beyond safe banking practice, to operate warehouses, it does not seem reasonably possible that other than loss can result. The pressure and incentive to financial success are absent.

Not only is there the question about the loss of the money, there is also the expense of maintaining the organization. It has seemed to me that the Department of Agriculture as organized could perform all the sound functions given to the Board. When I say sound functions, I refer to the dissemination of scientific agricultural knowledge and economic possibilities as to world production, consumption, demand and marketing.

I believe the Department of Agriculture could organize cooperatives which would be the farmers' own cooperatives because the farmers, not the Government, would finance them.

We all stand to lose

OBVIOUSLY the farmers will not pay the bill, because they insist they are making no profit. But government funds come from taxation. Therefore, the business interests making individual and corporate tax returns, and paying taxes in accordance therewith will pay the bill. The indirect bill resulting from the confusion in the grain distributing business, the losses to farmers and all the rest of the producing and distributing community, will be distributed among us, and the amount of it no man can measure.

The Farm Marketing Act is part of the fantastic dream of stabilization, with or without governmental agency, so that every producer in every line will be assured a profit through control of production, and without the discipline of the economic law of supply and demand working through price, which eliminates the marginal producer.

Interference with the economic law whether by private combinations, direct governmental control, or indirect action by Government through tariff, tends to failure. Such interference, in its attempt, brings not stability but distress in business, with disaster indicated, if continued.

I am convinced that as practical public policies, in the interest of the farmer and business alike, we should repeal the Agricultural Marketing Act, cease any such governmental attempts, and revise our tariff downward, not upward.

3. The Battle on the Floor

The discussion pro and con of the Farm Marketing Act

INTENSE interest marked the general session held the morning of April 30 at which Alexander Legge and Daniel A. Millett, Denver banker and stockman, presented arguments for and against the Agricultural Marketing Act.

So eager were those who filled the hall to hear all phases of the questions discussed that, after adjournment for lunch, the meeting was continued. Despite varying opinions of the speakers and the earnestness of their pleas, the session went forward in a spirit of give and take in an honest effort to present and assimilate facts, so that, as Julius Barnes aptly phrased it, the debate was lifted "above mere controversy into that area of dignified and logical discussion out of which fair judgment and just conviction may emerge."

Following the addresses by Mr. Legge and Mr. Millett, Chairman A. J. Brosseau called on many of those present for five-minute comments. Many of the five-minute speakers voiced hearty disapproval of the Agricultural Marketing Act as a menace to business. Among these were: H. W. Jones, National Poultry and Egg Dealers Association; L. W. Smith, of the Michigan Canning Industry; C. E. Webb, Philadelphia Wool and Textile Association; F. C. Adams, the Boston Wool Trade Association; W. F. Jensen, American Association of Butter Manufacturers; S. Stephens, National Retail Coal Merchants' Association; H. C. Netterau, New York Mercantile Exchange; and W. J. McCabe, of the Grain Exchange and Grain Dealers, Duluth.

Critics and champions

BUT if the Act's critics seemed numerous, its champions were ardent. Chief among them was Arthur M. Hyde, Secretary of Agriculture. Answering criticisms against the bill he declared, "The Farm Board does not expect to peg prices, it has made no attempt to peg prices, price pegging is not in the Act, and not in our program.

"We never expected to control prices. We do not propose to try to influence production. We are grateful to those

who have been working with us in the past, the help of some of the greatest men in international industry. I refer to Henry Ford. He tells the farmer to plant every acre he can and raise all he can. We farmers know that at the very moment Mr. Ford made that statement his own plant was operating at 75 per cent capacity.

"We read in the financial journals that United States Steel is boasting that it is now operated at 70 per cent capacity. Industry is controlled and has controlled its production by the limits of probable demand.

"One speaker has said that the law of supply and demand and the elimination of the producer is an answer to this problem. He is mistaken. Nothing is economically sound which resolves to reduce the standard of living among any substantial class of American citizens.

"Now we stand charged also with maternalism. We expect and hope to exercise proper maternalism. The ideal is to set up a proper corner in this field to be owned and controlled by the farmer for his good and the benefit of those surrounding him, that is, in the aid of agriculture. The same kind of a high guiding institution for agriculture should be maintained for the farmer as the United States Steel has done for steel, Standard Oil for oil, and the Federal Reserve Bank for finance. If this is unsound, strike them all down!

"Complaint is made of the loan provision in the Farm Board bill. That provision is largely—certainly the rate of interest is entirely—due to the gentle administration of Senator Blaine of Wisconsin. I feel that we should perhaps be able to make greater progress in the organization of agriculture if the Farm Board did not have a dollar beyond its expenses. I think that the loan proposition clutters up the scenery and delays

us in operation. Nobody is going to be displaced. If some have to move over at the dinner table to let others sit down, it is merely an evidence of a growing country."

Representative Frank W. Fort, New Jersey, a member of the congressional committee which drafted the Act, also made a strong plea in its defense.

"I am here to stand by what we did," he said.

"Congress and the business world were faced with a situation where something had to be done for the farmer.

"Mr. Millett has said that the Act was adopted in sympathy. It was not adopted primarily out of sympathy. It was adopted primarily out of the fact that Congress and the people recognized that any legislation touching economics must also recognize the social factor.

"We have six million farmers. We are mechanizing that in-

dustry; we are dismissing between 100,000 and 300,000 of these men a year. Added to that we were likely to dismiss back into the economic structure of this nation a million and a half within two years, and we could not absorb them. We had to find means to protect not only agriculture, but all of the industries of the United States against the dismissal of a million and a half men from agriculture.

"Mr. Millett has said that the cure was to let the law of supply and demand eliminate the marginal producer. You can eliminate through the law of supply and demand without social hazard an occasional plant, but you cannot in a year or two throw back a million and a half men and seven and one half million dependents on the lap of the nation without complete social and economic dislocation of your entire structure.

"We were not willing to see that hap-



Arthur M. Hyde

pen. If you gentlemen think we are wrong, do what you failed to do in the five years of this legislation, in the halls of Congress. Give us a sound alternative, that will give to agriculture real economic quality before the law with the rest of industry."

Fred Hoffman, Kansas City miller, and John Brand of the Land-O-Lakes Dairy, also spoke in favor of the Act. A. H. Stone, cotton farmer of Mississippi, urged business and agriculture to get together and Mr. Tabor, of the National Grange, pledged his organization to give the Farm Board opportunity to demonstrate what it could do.

In closing the meeting Julius Barnes said:

"Mr. Legge has referred to the Chamber's position in regard to cooperative marketing. There is no question about the Chamber's position. It has approved the right of growers to associate in cooperative organization and this approval implies the encouragement of business men as long as those cooperative efforts are not unfairly discriminatory against private enterprise.

"Mr. Legge suggested a challenge of insincerity on the Chamber's part in the statement that 'the Chamber is apparently for cooperative marketing as long as it does not work.' On behalf of this organization, that must not go unanswered. We have tried to do something definite in agricultural assistance.

"Private enterprise engaged in marketing activities will accept philosophically its displacement if cooperative marketing justifies that displacement by the logical demonstration of superior service.

"A membership attracted into cooperative organization, possibly against its individual conviction, by privileges extended only to that membership through the use of government monies obviously influences unduly individual opinion and is not a fair test of superior service. This really challenges the creative impulse of fair opportunity on which the whole living level of America is based.

"One of the Chamber aids to agricultural security has been the recently completed study of America's unique market machine called future trading markets. This committee concluded that this device has greatly aided farm prices by providing a simple agency for speculative and investment buying to offset the pressure of harvest crop movement.

"As a practical device it has tended to offset for a period the working of that undoubtedly sound economic law that the domestic price of a crop produced with a surplus is based on the

world market. On the contrary, through this simple enlistment of speculative anticipation of later consumption the record shows that for many months during each crop year the price level for agricultural products is held above the world basis.

"It has also been stated here that the Farm Board emergency protection action last October only did for agriculture what industry did for itself by its protective pool. There is a vital difference. The men who in that panic pooled three hundred million dollars to protect price levels in the stock market did it with their own money and took their own risks.

"I must in all fairness bear witness that the Farm Board action in establishing a loan level throughout the West last October did set a bottom under wheat which was effective for several months. But in the long view it may well be considered whether the use of public monies as price influence has tended to drive out a hundred million dollar buying power of individ-

ual judgment and individual action.

"I cannot see this process go on without expressing my opinion that a great marketing structure has suffered irreparable damage and will be steadily undermined.

"Mr. Legge has made a fine suggestion in his offer to contribute to a study of the agricultural problem. That offer is something of a challenge to the willingness of the business community to contribute likewise. I will engage to raise funds from the business world to match dollar for dollar a fund he suggests, and to initiate a thorough, reasoned, devoted study of the agricultural situation and its possible improvement.

"As Americans, we want to reach a sound conclusion as to just where lies the line of fair opportunity to private enterprise and private investment and with it an examination as to whether injecting government money into these processes undermines the confidence enterprise has developed and maintained, if we do not really injure agriculture instead of improve it."

OFFICERS AND DIRECTORS—1930-31

CHAMBER OF COMMERCE OF THE UNITED STATES OF AMERICA

President: WILLIAM BUTTERWORTH, Chairman of the Board, Deere & Company, Moline, Ill.

Chairman of the Board: JULIUS H. BARNES, President, Barnes-Ames Company, New York.

Vice Presidents:

W. RUFUS ABBOTT, President, Illinois Bell Telephone Company, Chicago, Ill.

A. J. BROSSARD, President, Mack Trucks, Inc., New York, N. Y.

KARL DELAITRE, President, Bovey-Delaitre Lumber Co., Minneapolis, Minn.

ROBERT R. ELLIS, Mutual Drug Company, Memphis, Tenn.

C. W. LONSDALE, President, Simonds-Shields-Lonsdale Grain Company, Kansas City, Mo.

PAUL SHOUP, President, Southern Pacific Company, San Francisco.

Senior Council:

HOMER L. FERGUSON, President, Newport News Shipbuilding and Dry Dock Company, Newport News, Va.

JULIUS H. BARNES, President, Barnes-Ames Company, New York.

RICHARD F. GRANT, President, Lehigh Valley Coal Corporation, New York.

JOHN W. O'LEARY, President, National Bank of the Republic, Chicago.

LEWIS E. PIERSON, Chairman of Board, Irving Trust Company, New York.

Treasurer: JOHN JOY EMMON, Chairman of the Board, Washington Loan and Trust Company, Washington, D. C.

Chairman of Executive Committee:

WILLIAM BUTTERWORTH, Chairman of the Board, Deere & Co., Moline, Ill.

Secretary: D. A. SKINNER, Washington.

Directors:

*HARRY C. ABELL, Vice President, New Orleans Public Service, Inc., New Orleans, La.

*CHESTER I. BARNARD, President, New Jersey Bell Telephone Company, Newark, N. J.

*ASA G. BRIGGS, Member, Briggs, Weyl & Briggs, Attorneys, St. Paul, Minn.

WILLIAM CHANDLER, President, Atlanta-Biltmore Hotel Company, Atlanta, Ga.

WALTER L. CHERRY, President, Cherry-Burrell Corporation, Chicago, Ill.

E. ASBURY DAVIS, President, F. A. Davis and Sons, Baltimore, Md.

*WILLIAM R. DAWES, Vice-President, Central Trust Company, Chicago.

LAMMOT DU PONT, President, E. I. du Pont de Nemours & Co., Wilmington.

*PHILIP J. FAY, Nichols & Fay, San Francisco, Calif.

*HOMER GARD, President, Journal Publishing Company, Hamilton, Ohio.

H. M. GILBERT, President, Richey & Gilbert Company, Yakima, Wash.

*CHARLES W. GOLD, Vice President, Jefferson Standard Life Insurance Co., Greensboro, N. C.

EVERETT G. GRIGGS, President, St. Paul & Tacoma Lumber Co., Tacoma, Wash.

*HENRY I. HARRISMAN, Chairman of the Board, New England Power Association, Boston, Mass.

FREDERICK J. HAYNES, President, Durant Motors, Inc., Detroit.

*WILLIAM V. HODGES, Senior Member, Hodges, Wilson & Rogers, Attorneys, Denver, Colo.

GEORGE W. HOLMES, President, First National Bank, Lincoln, Neb.

LEONARD S. HOKNER, Kissel, Kinnicut & Company, New York, N. Y.

*CARL A. JOHNSON, President, Gisholt Machine Company, Madison, Wis.

FRANCIS E. KAMPER, C. J. Kamper Grocery Company, Atlanta, Ga.

*FRED LAZARUS, Jr., Secretary-Treasurer, P. & R. Lazarus & Co., Columbus, Ohio.

F. W. LITCHFIELD, President, The Good-year Tire & Rubber Co., Akron, Ohio.

JOHN G. LONSDALE, President, The Mercantile-Commerce Bank & Trust Company, St. Louis, Mo.

C. A. LUBLUM, New York, N. Y.

FELIX M. McWHIRTER, President, The Peoples State Bank, Indianapolis, Ind.

EDWARD P. PECK, Vice President, Omaha Elevator Company, Omaha.

*WILLIAM PFAFF, Searcy & Pfaff, Ltd., New Orleans, La.

A. W. ROBERTSON, Chairman of Board, Westinghouse Electric & Manufacturing Company, East Pittsburgh, Pa.

FRED W. SARGENT, President, Chicago and Northwestern Railway Co., Chicago.

HENRY D. SHARPE, President, Brown & Sharpe Manufacturing Company, Providence, R. I.

*WILLIAM G. SKELLY, President, Skelly Oil Company, Tulsa, Okla.

MATTHEW S. SLOAN, President, New York Edison Company, New York.

OSCAR WELLS, President, First National Bank, Birmingham, Ala.

WILLIAM M. WILEY, Vice President, Boone County Coal Corporation, Sharples, W. Va.

*Newly elected.

•• A FIRE PROTECTED FILE- PRICED FOR QUANTITY USE ••



THE new Vulcan fire-protected file is an all purpose cabinet which provides real fire protection for correspondence, contracts and supporting documents usually housed in unprotected wood or steel filing cabinets.

If your correspondence burned up tonight, would you be able to resume business tomorrow? Are there any legal squabbles in process, hinging on terms quoted in a letter? Have you made written promises to customers that your memory might only faultily make good? Purchase agreements—sales statistics, etc., etc., papers upon which your future depends. What if the government comes back at you with a claim for a deficient personal income tax return? Only a few situations out of hundreds are cited that prove awkward and costly to businesses that are bereft of their correspondence and documents by fire.

Made by Safe-Cabinet Division in collaboration with other divisions of Remington Rand, the Vulcan filing cabinet has incorporated in it all of the efficiency features of the modern filing cabinet plus tested fire protection.

The low-priced Vulcan is a heavily-insulated, steel-encased filing cabinet, against which fire cannot prevail. From the seething cauldron of a hundred flaming tests its guarded papers emerge unscathed—clean, white, legible—ready and able to carry on. The Vulcan costs hardly any more than the file that fails to protect. Any business that can afford a file can afford a Vulcan.

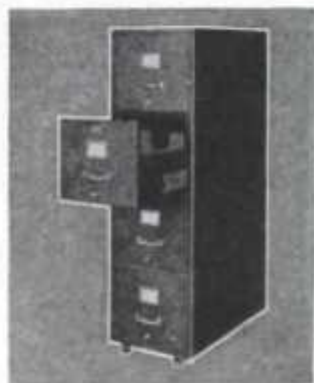
Write today for the dramatic literature that may prevent a tragedy.

Safe Cabinet Division

Remington Rand

BUSINESS SERVICE
BUFFALO, NEW YORK

Sales Offices Everywhere



The Safe-File is the de luxe model of the Vulcan file equipped with lock, rollers and special hardware; especially designed for private offices where one or two protected files are sufficient.

REMINGTON Typewriters and Accounting Machines... LIBRARY BUREAU Filing Systems and Indexing Service... POWERS Accounting Machines... DALTON Adding and Multiplying Machines... SAFE-CABINET Record Protection... KALAMAZOO and BAKER VANTER Loose Leaf Equipment... RAND and KARDEX Mobile Records.

When writing to REMINGTON RAND BUSINESS SERVICE please mention *Nation's Business*

The Problems Progress Brings

By JOHN H. FAHEY

President and Publisher, the Worcester (Mass.) Post

EXPERIENCE shows that great questions of political and economic policy receive more critical examination in periods of stress. So it is natural that many questions which have received but casual attention for some time are now being pressed for re-examination.

In the minds of many business men, financiers and economists, as well as other classes, the question of devising a better means for curbing extreme speculation is arising sharply.

Congress proposes an investigation of stock exchanges and stock-exchange methods. The responsible officers of some of the exchanges are likewise giving the subject consideration.

No sensible person will deny that the stock exchanges serve a useful purpose. Those responsible for their conduct would be the first to agree that their machinery is far from perfect and that it must be improved from time to time.

Questions of reform in stock exchange operation, however, are not to be disposed of constructively on the basis of sidewalk opinion. A vast and complicated business machine must be examined with caution before it can be taken apart with the intent of putting it together again so it will function more perfectly. The investigations of Congress will undoubtedly contribute to a public understanding of the problem but the business operations of the country will be influenced greatly by any reforms proposed and the business men who will be affected by any changes must study the problem determined to contribute toward the establishment of methods of operation and restraint upon speculation which will meet valid criticisms.

General improvements foreseen

CLOSELY related to the speculative problem are the questions concerning improvements in our general financial system.

It is, of course, to be expected that the relation of the Federal Reserve system to business should be the subject of widespread discussion.

A committee of the United States Chamber of Commerce has been review-

ing the development of the system and has presented a number of constructive suggestions. The Federal Reserve system like everything else will be subject to change as experience demonstrates the need of change. But again caution must characterize every attempt at substantial alteration.

The discussion of banks and financial machinery is not confined, of course, to the Federal Reserve system. Banking and finance are arousing more debate just now than for a long time.

Is the investment trust a sound development? How far is the holding company a useful institution? Is there a limit to how far branch banking should go? Is the concentration of great financial power in the hands of a comparatively few men, the menace which some appear to believe?

Or are these developments merely incidents in the still further development of a great country? Will the evils which are perhaps inherent in them be eliminated as experience demonstrates just what the evils are? Or must the weaknesses be located and overcome now?

If that is the policy to pursue how shall we proceed? Shall we depend upon business itself to apply remedies or must we look to government?

There can be no doubt that the business man prefers that business and finance be given every opportunity to regulate themselves. We would be blind indeed, however, if we did not realize that a large section of the public is not convinced that business is able to regulate itself with due regard for the public.

Does not history show that as a result of insistent public demand the Government has been forced to undertake the regulation of nearly every business and financial practice which developed methods clearly contrary to the public



John H. Fahey

interest? Is it not inevitable, therefore, that the Government will concern itself finally in some degree with the problems presented by investment trusts, branch banking, and the concentration of control over credit?

What Government may do about these questions is of great consequence to business. It is the task then of the business man to contribute toward sound thinking

in the establishment of just, reasonable and constructive regulation.

There is more talk today about mergers and combinations, their capitalization and their possible effects on business than for many a day.

Do they mean unfair competition? Do they represent an economic advance? Have they been characterized by stock watering which made possible immediate profits for promoters, but left burdens for management which are difficult to carry? Every person of common sense knows that no answer is to be made offhand.

In connection with the tremendous interest in investments in the securities of industrial corporations, there has been during the last two years a growing demand for further improvement in our corporation reports.

This applies especially to those businesses whose stocks are listed on the exchanges. Some of the largest corporations have for years maintained a policy of full disclosure and publicity concerning their operations. Our railroads and our banks by law are obliged to make public adequate reports.

The stock exchanges have taken numerous constructive steps in promoting more accurate corporate publicity. At the same time scores of business enterprises have not followed this policy.

How much information is the stockholder entitled to? If leading institutions

(Continued on page 62)



Punishment-proof!



New razor protected by reinforced corners

MORE than ten million men are blessing their New Gillette Razor for its wealth of new comfort, speed and smoothness, but most of all for its protection against hard knocks.

When you dropped your old Gillette, the slightest dent was enough to throw the blade out of alignment and cause the razor to "pull." Now all that is banished forever by the sturdy reinforced corners of the new cap and the cut-out corners of the New Gillette Blade. Punishment-proof—that's what the New Gillette really is!

A big advantage? Yes. But that is only one of *many* big improvements—no more wiping; no more taking razor apart to dry the rust-resisting blade; channel guard; longer, bent-back teeth—all these and many others are yours for only \$1.00 at your dealer's in the 24K. gold-plated New Gillette Razor in a handsome case, with one New Gillette Blade.

See your dealer on your way home tonight.

GILLETTE SAFETY RAZOR CO., BOSTON, U. S. A.

We can't prevent your dropping the New Gillette, but we can prevent the nicks and dents that spoil your shave.

QUICK FACTS: REINFORCED CORNERS PREVENT DAMAGE IF DROPPED... cut-out blade corners cut out "razor-pull"... new processed steel blade resists rust... new shape guard teeth... channel guard... square blade-ends... all yours for only \$1.00.



\$1.00 for ten;
50c for five



The New Gillette
Blades in the new
green packet

The New Gillette Shave



Small Addressographs operate at speeds from 100 to 1800 impressions an hour. Prices from \$20 to \$264.75 f. o. b. Chicago.



Electric and automatic Addressographs operate at speeds from 2,000 to 12,000 impressions an hour. Electric machines \$295 to \$785 — automatic machines \$195 to \$12,710 f. o. b. Chicago.



Class 7100 Dupligrph produces 2,000 personalized letters an hour — typewriter style — complete with name and address, salutation, body of letter and date all printed through same ribbon and signature printed in actual signature ink. Price \$1,825 to \$2,025 — other duplicating machines \$57.50 up. f. o. b. Chicago.

FOOTPRINTS OF CUSTOMERS LOST, STRAYED OR STOLEN!

WHY do you lose customers? How can you spread patronage to more departments or lines of merchandise?

We can help you with these problems as we have helped thousands of other concerns.

The Addressograph Customer Control system has been developed through years of special study and research. It will apply to *your* business or *any* business. It is based on facts that have been determined by scientific tests —

that 82 out of every 100 "lost customers" drift away because of real or imaginary grievances or because they have not been properly encouraged to continue their patronage! It is the *low-cost* method of *preventing* inactive accounts.

The Addressograph representative in your locality will gladly help you solve the problem of "lost customers" and point out methods of increasing the dollars and cents value of the average customer.

Sales and service agencies in the principal cities of the world

ADDRESSOGRAPH COMPANY

General Offices: 901 W. VAN BUREN STREET, CHICAGO, U. S. A.

Canadian General Offices: Addressograph Co., Ltd., 30 Front Street, W., Toronto, Ontario.

European General Offices: Addressograph Ltd., London, England.

Factories: Chicago, Toronto, London, Berlin.

Copyright 1930 Addressograph Co.

Addressograph

TRADE MARK

PRINTS FROM TYPE

The New Complexity of Business

By FREDERICK S. SNYDER

Chairman of Board, Institute of American Meat Packers

MODERN business appears to be a continuing development and perfecting of interchange of personal services. In colonial days the colonist and his family lived a life which approximated a complete business entity. The four primary essentials which support life—fuel, food, shelter and clothing—were very nearly produced within the confines of the early settler's land.

Today even the wardrobe of any man in this audience would probably represent several states and several foreign countries. To build a house today, one might use oak from Michigan, fir from Oregon, slate from Maine, lead from Missouri, and copper from one of several states.

In this great extension of interchange of services, we must study stabilization from the standpoint of recognition of the principle that today each person is working for another and that subdivision of service for each item of use has become infinitely ramified and extended.

Purchasing power is gone

WITH dislocation of continuity of this exchange of service, income is lost. Without income, normal purchasing power is gone; and the circle of generally diffused prosperity based on this purchasing power is broken.

The obvious obligation on the part of every executive having opportunity to make or influence decisions is today in the direction of maintaining the purchasing power of the country through making unusual effort to institute any new and productive form of activity which will increase employment.

Purchasing power is founded on stable employment, and we recognize today that such employment should be at wages which are not merely living wages but marginal. That is, there must be a saving ability or a purchasing ability beyond mere bread-and-butter requirements. Therefore, the urge for stabilized employment at adequate wages.

We cannot ignore the mathematics of any business situation. The most recent

official figures available show that our total public and private net wealth reveals a national per capita wealth of \$2,928.

This total could not, of course, be expected to pay a net income as high as five per cent after paying its proportion of taxes, cost of carrying on the government, and other things. However, even at five per cent net, it would yield a per capita income of less than 40 cents a day.

This I mention, not only because of the popular supposition that if our national wealth were more equably divided it would greatly ease the burden of every individual, but because of the fact that the chief value of capital is as a foundation for the successful employment of labor.

There are about 11,000 persons according to the most recent government report, having incomes in excess of \$100,000. If this group of the great incomes of the country was completely subdivided, it would yield not more than six and one-half cents a day per capita.

Therefore, the Utopia of pictured ease arising from the redistribution of great incomes or from the per capita distribution of income upon our total national wealth is wholly without economic foundation. It places in still higher relief the necessity for perfecting our exchanges of services each for the other.

All the great businesses of the nation—those which are fundamental to its life—make earnings on turnovers of from one to three per cent; certainly not as high an average as three per cent. We know therefore that from 97 to 99 per cent of the money represented by the one to three per cent turnover profit has first been paid out for goods and services which have become a first charge upon the industry.

There is, of course, no such thing as raw material when once the hand of man has moved it. Ore is the finished product of the miner. Metal is the finished product of the smelter; and the metal in turn is the raw material of hundreds of other industries through which refinement is carried still higher. The complexity of our interchange of services had developed with the growth of our democracy.

Failure of our system

DESPITE the steady rise in standards of living comfort, fear of unemployment overshadows every home lacking material reserves of savings or income. It is the potential business tragedy of the employees. Is it the outstanding failure of our economic system?

The census will, I understand, provide statistical information with reference to unemployment; but to gather statistics and publish them will merely continue

along present lines. We now trust primarily to private profit-making employment agencies with their closely limited field and purely profit-making interest to solve the problem.

We must not forget that every unit in the figures showing unemployed persons has a high social significance and represents a man or a woman out of a job.

We should at least add to the principle of orderly marketing by extending the principle of orderly replacement or reinstatement of labor so far as this can be accomplished by thoroughly organized exchange of accurate information.

By so doing we shall still further contribute to the economic stabilization of our social order and the maintenance of our national prosperity.



Frederick S. Snyder

The Nation's Tax Muddle

By FELIX MCWHIRTER

President, The Peoples State Bank, Indianapolis

OUR taxation muddle is a combination of many muddles—the muddle produced by all taxes being too high, reflecting an imprudent level of public expenditures; the muddle of taxes being inequitable, reflecting unfair distribution among various taxpayers; the muddle of taxes being too numerous, reflecting the lack of a constant policy in revenue matters; and the muddle of taxes being too complicated.

For purposes of clearer understanding, suppose that we distinguish between taxes and expenditures. Let us regard taxes as the contributions to governmental revenue, and expenditures as the money disbursed by government. Under those terms, then, our question, "Are taxes too high?" becomes the question, "Are expenditures too high?"

That is, do we devote to public uses too large a proportion of our economic resources and productive energies? On this point, different persons reach different conclusions. However, these are the facts:

All government—federal, state and local—is spending nearly 13 billion dollars a year. For five years, this amount has increased by about one-half billion dollars annually.

The way taxes go up

SINCE 1913 our population has increased probably 15 per cent. Estimates show our wealth to have doubled. Our income has doubled. But our public expenditures have increased four times and our public debt has increased seven times.

Government today is spending three times as much per capita as in 1913. Nearly twice as large a proportion of

national income went to public uses in 1928 as in 1913. Further, government spent one-fourteenth of our income 15 years ago, and today it spends at least one-eighth, perhaps one-seventh.

Finally, none of these figures begins to touch the hidden costs of taxation to business; the cost of keeping records; the cost of assistance in preparing returns; the wastes of time and annoyances from paying too many taxes to too many authorities, and not being entirely sure of how much to pay, when to pay or where to pay.

I fear we are so used to hearing the volume of public expenditures stated in billions of dollars that the significance of the figures escapes us. Suppose we look at the volume of taxes in terms which bring home the message:

We are spending about 40 million dollars each working day, devoting approximately one working day each week to producing what we spend for public purposes.

Farm taxes range from 20 per cent to 200 per cent of the net income.

Of each dollar of corporate net profits, about 30 cents is required for tax payments. For particular industries, the range is from 23 cents to 68 cents out of each dollar.

Can our taxes continue to go upward? Year in and year out, could we devote 20 per cent of our income to taxes? No nation ever has and survived—but another 15 years like the last 15 and we shall have reached that point.

I believe we already are spending for public purposes much more of our income than is prudent, and that substantial, immediate reduction is necessary, especially in state and local budgets.

There are many plausible explanations of why the cost of government has advanced. A part of the increase may be attributed to the decreased pur-

chasing power of the dollar. A second part may be attributed to the aftermath of war. But the substantial part, I believe, arises from the following conditions:

Overorganization of government.

Our failure to consolidate overlapping spending units.

Our failure to keep governmental operating methods and control of personnel in step with established private practices.

Our headlong assumption of new functions and new services without thought of their original or continuing costs.

Our prodigal contraction of public debt, much of it for projects which would not have been countenanced if we had to meet the cost immediately.

Finally, our insistence on standards and varieties of public services approaching the ideal rather than approaching our capacity to pay for them.

Control expenditures first

UNTIL we have devised adequate control of expenditures our problems of taxation can be allowed to absorb only a part of our interest and energies. Taxes should have our more careful scrutiny. But we should not approach these revenue problems with the illusion that even their 100 per cent solution, of itself, will stop the uptrend of the cost of government or will do more than reapportion the burden without affecting its magnitude.

What, then, are our problems of revenue as distinguished from those of expenditures? Let us consider federal taxation. We have made progress since 1922. Then business was groaning under a federal tax load without peace-time parallel. Individual income taxes were at an unprecedented level.

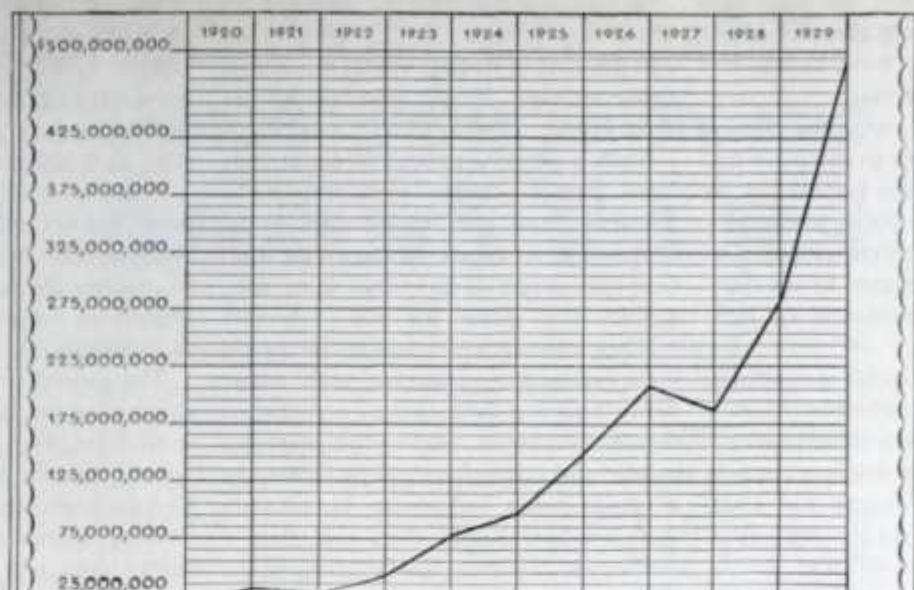
Today some of the most vicious evils of that day have been removed or alleviated. The extent to which business men recognized the seriousness of our fiscal situation then, and assisted in its partial improvement, constitutes a high-water mark in intelligent citizen participation in forming public revenue policies. That example of business team-



Felix McWhirter

BLANK & STOLLER

BANKERS TO INDUSTRY EVERYWHERE



Growth of Volume of Business in Ten Year Period



Established in 1908 with a capital of \$100,000 the C. I. T. organization is now international in scope with a combined capital and surplus of over \$100,000,000 and total resources in excess of \$200,000,000.

As a banking institution specializing in service to those who sell goods on credit, C. I. T. cooperates with leading producers and distributors in the marketing of more than 70 different types of products ranging in value from the household utility to great industrial installations.

In the 22 years since its foundation this business has had repeated experience with all phases of the economic cycle. It has passed through several serious business depressions in which a period of unemployment developed. C. I. T.'s experience during these periods has invariably confirmed faith in the fundamental soundness of instalment selling.

It has been amply demonstrated that the consumer meets his obligations and that he

is the best judge of the extent and character of the credit engagements he may wish to make.

C. I. T.'s financing services are used during periods of business recession as well as in periods of advancing business activity. Moreover, they are services which by their very nature are instrumental in stimulating production.

The Corporation's present capital and credit position, plus a trained, loyal organization, will enable it to continue its growth and development along sound, conservative lines. It looks forward with a firm faith in the country's industrial future and its ability to serve it.

In the textile field C. I. T.'s factoring unit—Commercial Factors Corporation, New York—a union of three of the oldest and best known firms in the factoring business, now serves more than a hundred leading mills and manufacturers in the marketing of textile products.

COMMERCIAL INVESTMENT TRUST CORPORATION

Executive Offices

One Park Ave., New York

Subsidiary and Affiliated Operating Companies with Head Offices in
New York • Chicago • San Francisco • Toronto • London • Berlin
Paris • Brussels • Copenhagen • Havana • San Juan, P. R. • Buenos
Aires • Sao Paulo • Sydney, Australia • Offices in more than 160 cities.

CAPITAL AND SURPLUS OVER \$100,000,000

When writing to COMMERCIAL INVESTMENT TRUST CORPORATION please mention Nation's Business

play may stand us in good stead today, for, though some of the gravest problems have yielded somewhat to intelligent treatment, we must remember that many were not solved; they were merely deferred. Others have arisen.

We cannot permit our attention to federal revenue policies to diminish until we have reduced the federal tax on corporate income to a point reasonably related to the corporations' capacity to pay, and reasonably related to our comparatively generous treatment of individual income.

Furthermore we must obtain improvements in income tax administration—effective decentralization of internal revenue authority, further improvement of the personnel of the Income Tax Unit.

Also we must gear up the settlement of long-standing tax cases; and rewrite the Act so that the average individual may be able to determine his liability promptly.

Finally we must so integrate our federal revenue collections with normal expenditures requirements that we can leave unneeded funds in the pockets of taxpayers instead of collecting them and returning a part in the form of tax reduction, while using the remainder to finance extravagant expenditures.

Injustices of interstate taxes

SUCH problems of federal revenue are serious, doubly serious whenever our country faces a period of profits less encouraging than in some former years. They deserve and are receiving the careful thought of business men the country over.

I doubt, however, whether these problems are more important than the injustices and annoyances of interstate double taxation. Conflicts between tax laws of the states are constantly harassing interstate trade and industrial activity.

I believe that in this field lies perhaps our most difficult problem. The people as a whole understand fairly well the principal outlines of our federal, state and local revenue system. But with respect to these conflicts between state taxation policies, they feel helpless if not resigned.

What do we mean by conflicts in state taxing policies? An example will illustrate:

One state may measure an outstate enterprise's liability to its income tax by the volume of sales made within the state in proportion to total sales; a second state, by the proportion of capital employed within the state to local invested capital; a third, by the

taxpayer's own estimate of where his profits were earned.

A business operating in all three states may find itself paying taxes on 150 per cent of its net profits; or, paying taxes on only 50 per cent of its net income.

Such conditions prevail to equal, perhaps greater, degree with respect to franchise taxes and capital stock taxes.

But that is not all. Not only do business enterprises of interstate scope constitute fair game for tax collectors seeking revenue which has no strings of local political reprisal, but such enterprises also are subjected to a welter of forms of taxation, and to the effects of conflicts in administrative practices. As a result many executives forego outstate markets rather than risk disproportionate tax costs, petty annoyances, and waste of time at the hands of distant tax administrators.

One company which carries on business in 35 states may be cited as an example. This company pays 38 different kinds of taxes, and collects an infinite variety of otherwise utterly useless data just to meet requirements for the filing of reports. I have no idea of the number of reports it must file, with liability to many taxes measured on a monthly basis.

How valuable it would be to that company if, in all the states, it had to pay only three or four—or even a half dozen—different kinds of taxes, with the same forms of reports serving the purpose in all the jurisdictions.

It might not pay a penny less taxes in the aggregate but it would be able to turn to surplus every year a good many dollars it now spends just to keep informed of the taxes to which it is liable and of the penalties which will be assessed against it if it is a day or two late with any one of its hundreds of reports.

With the tax costs of entering a state to transact business scarcely alike between any two states; with a muddle of forms of tax, forms of reports, dates of assessment, dates of payment, and dates of penalty; with high penalties even for unwitting failure to file a return on time, it is not difficult to understand their feeling.

What are we going to do about this muddle? How is business to meet the problems accumulating so rapidly in this field?

The dissatisfaction concerning present fiscal arrangements is second in interest only to the bewildering variety of proposals that are being put forward as remedies.

The key log in this jam appears to be

the general property tax on which we rely for more than three-fourths of our combined revenue of state and local governments. Farmer and city dweller, laborer and factory owner, complain constantly of the total burden and the serious inequalities of this tax, particularly as it affects real estate.

There is scant justice in this one tax providing not only the bulk of state and local revenue but also being called on to produce the bulk of additional funds needed to meet year-to-year increases in expenditures.

The general property tax itself, especially when the attempt is made to apply it to intangible personal property, has serious defects. The worst muddle is in its administration.

What survey of real property assessments does not reveal some property assessed at anywhere from 20 per cent to 150 per cent of its fair market value and some not assessed at all? I agree with the view of one leading tax administrator who says that if any new tax were surrounded with the inequitable, unfair administration which has been part and parcel of the general property tax for decades, the protest of the taxpayers would reach the proportions of a nation-wide uprising. But it is old.

Perhaps we put up with it because we have gotten used to it. Not the least part of the muddle is our own apathy concerning remedial measures which certainly are right within our grasp.

What are we going to do?

OUTWORN assessment systems; lenient exemptions; expensive and clumsy decentralization of collection and administration; a multitude of annoying small taxes; indefensible systems of fees; startling inequalities of general sales taxes; double taxation of income and inheritances by federal and state governments—these problems either are collateral aspects of general property taxation or of the penny-wise expedients seized upon from time to time in efforts to bring relief.

What are we going to do about the general property tax and its train of related problems? Levy income taxes? Sales taxes? Classified property taxes? Still higher gasoline and motor-license taxes? A host of special nuisance taxes? Transfer more traditional local functions of government to the state governments? Reduce expenditures?

Results of experiments in all these directions, save the last, are far from convincing or encouraging. As to the last expedient—reduced expenditures—you know we have not yet tried that.

Read it either way —and you'll want **GOODYEARS**

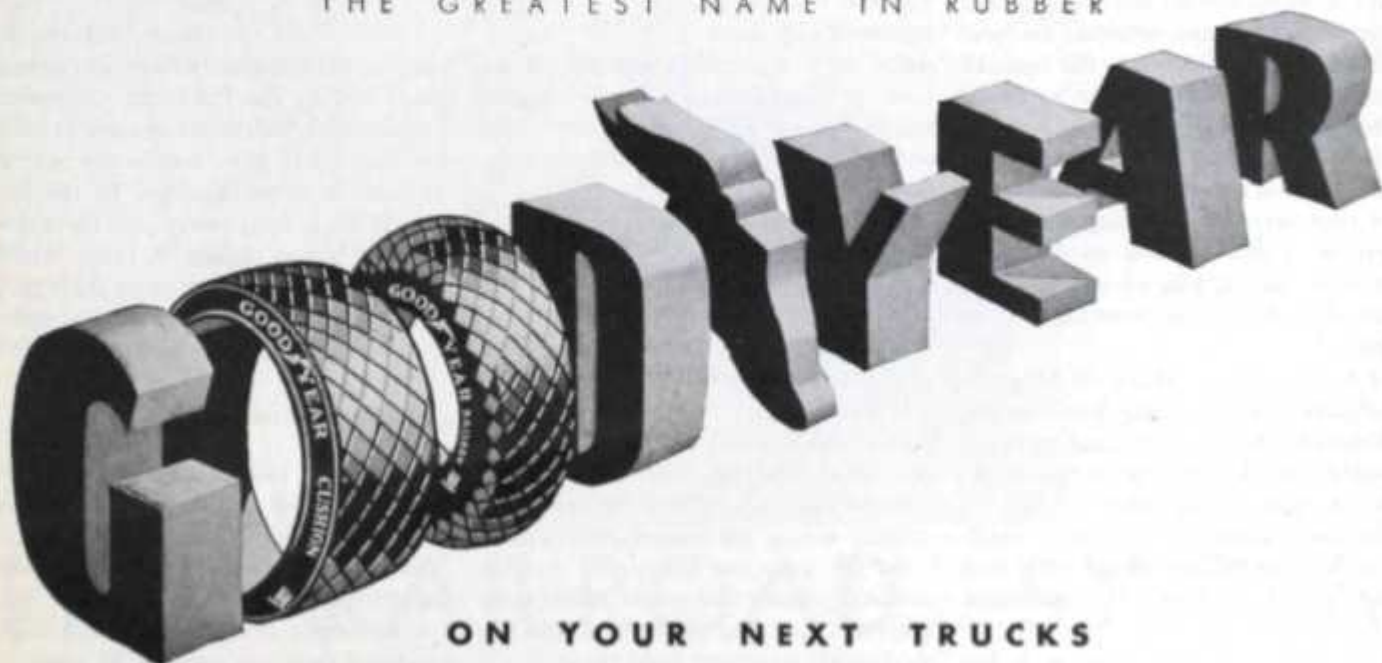
We have repeatedly said that "more tons are hauled on Goodyear Tires than on any other kind."

This statement has two meanings—both of them good. First of all, it means that more trucks are equipped with these famous tires—they are chosen by more truck operators—they have convinced more men like yourself that they bring greater traction, greater endurance, greater safety to truck operation.

Naturally, the statement also means that "more tons are hauled on Goodyears" in the sense that more loads can be hauled, more trips can be made, on a set of these tires. That's a matter of the average cost of operation on Goodyear Tires—and you can be sure they give a great account of themselves, otherwise they would not hold such a leadership.

To get the fullest service which Goodyears can give you—apply the right type of tire to your hauling job. Goodyear Truck Tire Service Station Dealers are equipped to give you accurate recommendations—let them show you the way to greater satisfaction and economy from tires.

THE GREATEST NAME IN RUBBER



ON YOUR NEXT TRUCKS
SPECIFY GOODYEARS

When buying GOODYEAR TIRES please mention Nation's Business

What to Do About Taxes

By FRED W. SARGENT

President, Chicago & North Western Railway Company

WE FREQUENTLY are told that the increased cost of government is simply an expression of the will of the people. It is doubtful, however, if we can concede that all the activities of government which are overextended, overorganized, overmanned, are an expression of the wishes of anybody. Rather they seem to be the outgrowth of piece-meal legislation.

Too much government in a democracy is dangerous. Self-government depends on a strong and virile electorate trained in the habits of self-help and self-reliance.

The first evidence of the decline of free governments is to be found in the paternalistic tyranny.

This evidence manifests itself in the multiplicity of laws that transfer to government agencies the regulation of private habits and social relations. The result is a constant and increasing disrespect of some laws that gradually ripens into disrespect and disregard for all law.

We have created departments, bureaus and commissions until our citizens are overrun with regulators, inspectors, investigators and prosecutors.

We have compelled our Government to perform too many services; we have authorized expenditures on the basis of what various factions desire to spend rather than on what the entire body of citizens can afford to spend. Much of what has been done has been wise, some of it necessary. But the time has come when we would do well to declare a legislative holiday long enough to determine, if possible, the direction we are going.

It is perhaps too much to hope for the repeal of any existing laws and the abolition of existing regulating agencies. Probably we cannot look in this direction for material tax relief.

In the meantime, however, much could be accomplished if we could find some way to bring about a renaissance of law observance.

One of our serious problems is the rapid expansion of national activities until in some form or another they

touch almost every phase of business, education and morals.

To my mind it is more important to preserve good government within constitutional principles with a tax rate that the people can comfortably bear, than to pursue a policy of social reform that is increasing our tax rate each year. The adoption of these principles as a national policy would go far toward restricting further enlargement of the tax burden, both federal and state.

In addition, I believe our Government should take definite steps to extend the payment of our national debts over a longer period and also avoid creating any yearly surpluses in the federal treasury.

It seems to me that the taxpayer ought to have a great personal interest in any honorable means that would reduce the tax burdens imposed by war or preparations for war. I would not advocate any weakening of a reasonable measure of defense, or a proper national police organization, but 82 cents out of every dollar of federal tax is now spent for war debts and war expenditure.

Finally, if we are to hold down the federal tax burden it is essential that the Government keep out of private business and avoid taxing all the people that it may carry on business in competition with some of the people. The Government in business can confiscate the property of its citizens by destroying the business of its competitors. Such a policy is not only morally wrong, but economically wrong.

So far we have considered possible national policies that would afford some tax relief, but the major problem has to do with state and local taxes.

The only effective way I know to reduce taxes is to reduce expenditures.

Much, of course, can be accomplished if we could only obtain good government in the hands of good men everywhere. Such a result can only come with an awakening that will make our good men and women everywhere enthusiastic about good government. Our good citizens are in the majority. It behooves them to take an enthusiastic interest in all men and measures pertaining to their governments.

Perhaps I may use our railroads to illustrate the strangle hold taxes are getting on industry. In four decades our population has doubled; our national wealth has increased almost 500 per cent; our national income has increased more than 500 per cent; railway property investment has increased 200 per cent; and railway gross income has increased about 500 per cent, but railway taxes have increased 1,220 per cent.

Since 1911, the beginning of uniform railway accounting prescribed by the Interstate Commerce Commission, the rate of increase in taxes has been more than double the rate of increase in gross earnings. In the last decade the railways have paid three and one-half billion dollars in taxes, which was one billion dollars more than they would have paid had the ratio of taxes to gross earnings remained as in 1920.

One-fourth profit is tax

IN 1929 the railways handled 97 billion ton miles of freight and seven billion passenger miles, the net revenue from which was wholly absorbed by tax requirements. The railways in the United States are paying almost one-fourth of their net earnings in taxes.

But the railroads are not alone. All industry, including agriculture, is feeling



Fred W. Sargent



One of Erie's new 23-car steel floats

ERIE'S FLOATING RAILS

Great steel car floats as long as many a city block and rising only a few feet above the water; powerful tugs that convey these leviathans and their cargo of sixteen to twenty-three loaded cars about the harbor; just another phase of Erie's service to shippers.

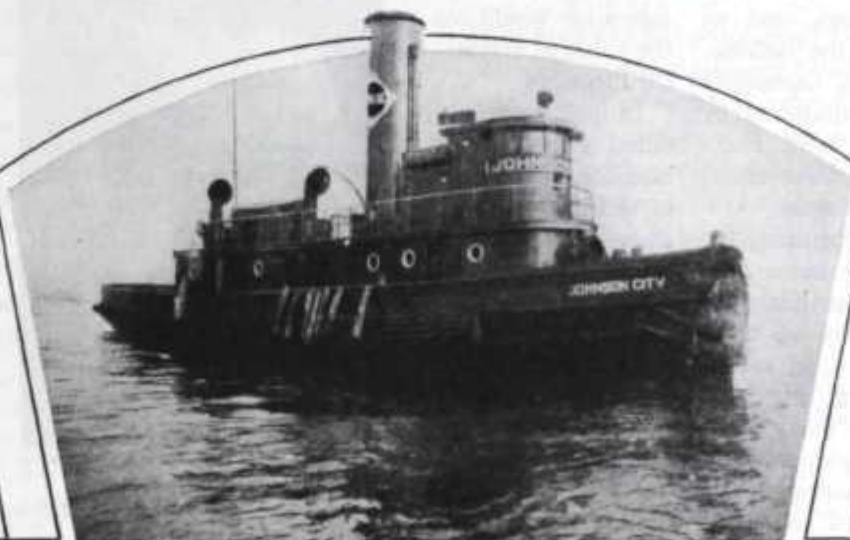
In the past year The Heavy Duty Railroad has added many of these transfer floats,



the latest in marine construction, to its equipment and more are to come.

By means of these floating railroad tracks, cars are received from or delivered to important terminals in New York Harbor.

Whether it be car floats, lighters, or any other class of marine equipment Erie is a leader among the roads serving New York City.



ERIE RAILROAD SYSTEM

Route of The Erie Limited

the blighting hand of the tax collector.

In the five year period 1922 to 1927, state and local net bonded indebtedness increased by four and one-half billion dollars. In the four years 1924 to 1928, state and local governments issued more than seven billion dollars in bonds, of which less than 158 million dollars was for refunding purposes.

I have been asked what to do about it. My answer is that we should go back to the policies that have thus far made us great; to stop petitions for public improvements far beyond our means to afford; to realize that we cannot solve our problems of governmental finance by easy expedients, and to admit that nothing can take the place of collective thrift, self-denial and intelligent citizen participation in government.

I would have our people exalt economy in government as well as in individuals. I would attempt to prevent further growth of the per capita debt and I would curtail every unnecessary public expenditure until the *per capita* burden is in a large measure lifted. Finally I would adopt the principle that good government cannot exist with impaired

or threatened credit and a constantly increasing tax burden; that states must not be bribed by the lure of federal money to spend beyond their means, and that the measure of good government is its quality and not its quantity.

Having adopted these basic principles we could then turn our attention to practical devices to accomplish the major devices proposed; such practical devices as:

Budgets which are more than mere gestures and which provide year-round control of expenditures.

Long-term plans for acquiring and financing public improvements in the order of their necessity and at minimum cost.

Mechanical processes for reducing the cost of routine work.

Accounting and auditing systems which tell a clear story of financial operations and definitely establish the responsibility for expenditures.

Standardization and centralized purchasing of material, supplies and equipment with the substantial savings in cost that authorities in this field tell us are possible.

In addition, we could make some measurable progress in solving state revenue problems by:

Shifting to state governments, for support from indirect taxes, some functions now discharged by local governments, thus taking their burden off the local property tax;

By absorbing into state highway systems some of the highways now built and maintained locally;

By developing additional revenue from a better organization of the schedules of fees and licenses for governmental services of limited or special benefit.

I recognize that these measures are only suggestive in character, and they are offered merely to emphasize a line of thought and a line of action.

There never was a greater need or opportunity for the American business man to render a real public service. This need and this opportunity he will find in his local community, in his state government and in helping to shape sound national policies. The price of good government is unrelenting toil and everlasting vigilance.

Business Needs More Facts

By ALFRED REEVES

General Manager, National Automobile Chamber of Commerce

IN BUSINESS we overestimate good conditions in good times, and we similarly overestimate the declines in times of depression. Guesswork of this kind can be minimized by increasing our supply of facts. Facts serve to put the brakes on these excessive swings in the business cycle.

Many industries are recognizing the value of fact-finding now more than ever before. President Hoover has given great impetus to this point of view. The steel industry, and paper, cotton goods, and other manufacturers are among those who have for many years recognized the value of facts in reducing the guesswork in business. The tendency is strongly toward increasing this type of information.

During virtually its entire history the automobile industry has recognized the value of exchange of information of business guidance.

It is logical that an industry that cross-licenses some 1,500 patents with-

out monetary consideration would see the value of statistical lifebuoys.

In fact, the statistician is the pilot of business. The captain of the ship at times may explore new courses, but in the main he will be guided by the established markings.

Grand totals of production are, of course, a primary business need. The National Automobile Chamber of Commerce has been compiling such totals for years. The Department of Commerce is now issuing statistics of this type for many industries.

The automobile companies exchanged this data in the early days when such



Alfred Reeves

facts were considered precious secrets by many industries.

The industry now compiles export data, and some of the leading companies are beginning to collect totals on sales to dealers, sales to consumers and stocks on hand. We also study car-load shipments.

We gather facts on rural use of motor transportation and its operation in various countries.

As our business progresses we shall seek further data, and it is clear that business in general will tend to gather more and more information in order that commerce may plan its advance with full knowledge of the facts.

“7 FOR 1” International's FOR Record



Proof of Remarkable Value

Every truck user should give full consideration to this fact and its bearing on his own future success with trucks:

- In ten years International Truck production has increased 700 PER CENT while the total truck production of the industry has increased only 100 PER CENT.

Such an increase from a small beginning would not be important—it is necessary that you know and bear this in mind also:

- Ten years ago, in 1919, International Harvester was already a highly successful truck builder of fifteen years' experience. Even then it was one of the leaders of the industry, with a production of thousands of trucks per year.

From that vigorous starting point International production went into high gear. Demand for Inter-

national Trucks sprang ahead by leaps and bounds, with this result:

- Last year International Harvester built seven times as many trucks as it was producing in 1919. In the same year—1929—the industry as a whole was building only twice as many trucks as were being turned out in 1919.

Year by year International Harvester reaches and passes new and significant milestones in truck success. The consistent march of the Company toward a dominant position in truck building is the best possible evidence of the value of the International product. It is the everyday truck buyer, himself, who provides this evidence. We offer this steadily growing preference for International Trucks and Service as a guide to any man in search of economical transportation.

International Trucks include the $\frac{3}{4}$ -ton Special Delivery; the 1-ton Six-Speed Special; Speed Trucks, $1\frac{1}{4}$, $1\frac{3}{4}$, 2 and 3-ton; and Heavy-Duty Trucks to 5-ton. Company-owned branches at 181 points, and dealers everywhere.

INTERNATIONAL HARVESTER COMPANY
606 S. Michigan Ave. OF AMERICA
(INCORPORATED) Chicago, Illinois



INTERNATIONAL TRUCKS

Aviation Adopts Business Rules

By MARTIN CODEL

Washington Correspondent, Air Transportation

"EX-ROMANCE and plus-business is aviation's status today."

Thus, W. Irving Bullard, Connecticut banker and manufacturer, a pioneer air transport operator and the chairman of the Committee on Aeronautics of the United States Chamber of Commerce, described the aviation industry at the annual aviation luncheon of the National Association of Commercial Organization Secretaries.

The meeting, attended by leaders of the aeronautical industry as well as members of NACOS, was marked by more optimism, more assurance and more promise for aviation as a business than any of the similar previous annual meetings.

"Adventurous glamor is about ended," Mr. Bullard continued. "Adventure or risk is virtually gone. The technical questions are now mainly matters of refinement and the air industry, like most others, is recovering rapidly from those air-pocket shocks in Wall Street."

"The industry has been getting shaken down into right adjustment with economic law. Dreams and fancies are ended; fact-finding and fact-applying are the rule. Supply, demand, service, costs, profits, possibilities—these are the tests. These things will write income accounts and balance sheets and determine who will survive to serve."

Still a young industry

"WE have made notable progress, yet not enough."

"It is while an industry is still plastic and young that it needs the best human superintendence, beginning with the financial and going on to the physical. It needs the best personnel and morale, alike among its bankers, its executives, its pilots, its ground forces and its publicity men."

"For example, to cite but a few pertinent questions—how far should the merger trend already visible proceed among air lines? What can be done most effectively to reduce costs and expand revenues? Can plane costs be substantially lessened? Likewise fuel costs? Can progress be made further in rate adjust-

ments, in insurance, in advertising?"

After pointing out that the Government is doing what it can through the Commerce and Post Office Departments and the Weather Bureau, he declared that more work remains to be done by the states, cities and towns. Reverting to the economics of the industry, he continued:

Progress is evident

"HAPPILY some crucial questions are gradually being answered. First, there is that fundamental issue of mail pay. Hitherto air mail compensation was full of disparities. Some routes prospered, others starved. We needed a yardstick. We are now promised it."

"Then there is the vital question of passenger fares—what the air traffic can bear. A notable and daring experiment in readjustment has been made. Already some of the results may be seen."

"A tremendous stimulation of travel naturally followed, with gains of 300 per cent to 60 per cent in a month. The question arises—could not fares be raised a trifle now that so much successful missionary work has been done?"

"On the other hand, there is the possibility of cost cutting, particularly in lessening the overhead. Then there is the helpful lesson of experience that planes can be written off in three years instead of two as previously figured. With more and bigger planes and more flights per plane, the revenue return should tend substantially upward. Here is the great field for future financial fact-finding. It can well supplement the mail-pay reform."

Lester D. Gardner, Frank H. Russell, Gen. John F. O'Ryan, W. G. Herron and A. P. Barrett also discussed aviation as a business.

Even when Mr. Gardner, former president of the Aeronautical Chamber of Commerce, and General O'Ryan, president of the Colonial Airways System, discussed the need and hope for larger planes and higher speeds, they kept the economic factor uppermost. Mr. Russell, vice president of the Curtiss Airplane and Motor Company, joined with them in predicting average 150 mile

an hour speeds for passenger aircraft.

Mr. Gardner, pinch-hitting, as he described it, for F. B. Rentschler, president of the Aeronautic Chamber of Commerce, and president of the United Aircraft and Transport Corporation, paid tribute to the members of NACOS and to the United States Chamber of Commerce for their "persuasive abilities" in promoting air transport locally and nationally.

"Last year," he said, "there were too many optimists. Now we are settling down and looking to an aggressive, orderly development as in any other big industry."

General O'Ryan stressed the losses of all operators in their passenger-carrying operations. Air transport, he said, has been in an "unhappy condition" due to losses on passenger service which were continued in hope of future recompense. He urged self-reliance on a sound basis of economics and warned against too much dependence on government aid.

General O'Ryan pointed out that passenger fares on the Colonial line between New York and Boston sprang from 285 in January to 770 in February and 1,218 in March when 287 persons had to be turned away because the ships were filled to capacity. The cut in fares from 12 cents to 8.7 cents a mile accounted for this increase, he said.

More speed with safety

MR. RUSSELL emphasized the matter of high speed and even greater safety and comfort as the big thing ahead for aviation.

Mr. Herron, vice president of Air Investors, Inc., of New York City, and Mr. Barrett, president of Southern Air Transport, of Fort Worth, hailed the Watres-McNary bill as heralding a new era of stability in the air passenger business. They agreed that the new legislation establishing a new basis of payments to air transport companies, will give the passenger as well as the mail services a sounder basis of operation.

That people have cast off their fear of air travel was attested on all sides at the meeting.



Heavy, rough castings are fashioned into machine parts.

Thousands of small and large units are finished to accuracy limits measured by tenths of a thousandth of an inch.

Many types of grinding machines employ many thousands of grinding wheels—reducing and finishing metals at lightning speed.

NORTON COMPANY
WORCESTER, MASS.

NORTON

Grinding Wheels
Grinding Machines



Refractories—Floor
and Stair Tiles

Production Can Be Stabilized

By HOWARD COONLEY

President, Walworth Company, Boston

ANYONE concerned with the problems of the day recognizes as one of the most difficult and important that of seasonal and cyclical changes in employment. For generations stabilized currency has been considered as the very foundation of a nation's success. Yet, strangely enough, few realize what a comfortable superstructure we could create by having stabilized demand, stabilized prices, and well stabilized employment.

Of course, such a Utopia can never be reached, and yet a movement in this direction is certainly possible. The question is where and how to begin.

Naturally, the subject is much greater than simple production regulation. To establish a starting point we must go to the roots of many problems, all of which need study and coordination.

Two industrial revolutions

THE world has seen two industrial changes which writers have designated as "industrial revolution."

One of these so-called revolutions came before the War. It involved change from hand labor and job-lot production on a make-to-order basis to concentration of labor, using specialized machinery, under a system of mass production.

The second revolution followed the War. In contrast to the first, this might be called a revolution of the intangible devices of management.

It involved the discarding of the practice built around two arbitrary plans, that of making what the management willed, expecting to find a ready buyer for the product, and that of hiring men when needed and firing them when they were no longer required.

Now we make what we can sell and

endeavor to increase efficiency and profits by reducing labor turnover through provision of steady jobs for a trained force.

The weapons of the second revolution are market analysis, thorough budgeting, sound scheduling, and broad-minded personnel cooperation.



Howard Coonley

There is much available information to be discovered by market analysis. For instance, who are the ultimate users of our product? What are their needs? What are their buying habits? What is the best method of distribution?

From the point of view of employment, another series of research questions might be investigated:

What does the worker want besides

his pay? How can we best arrange to meet these requirements? How can we guarantee steady work?

Again, from the point of view of production, we must ask ourselves:

What is our actual capacity? What can we count on as an average output? What are the high and low points?

What efficiencies can we gain by maintaining a steady rate? What profit should we expect on the basis of our average rate of production?

Can we equalize production to the proper average? Can the inventory be used as a balance wheel for steadying production?

In my younger days I came in close contact with the factory operatives and learned something of their point of view. What they want more than anything else is a steady job.

As for production, anyone who has studied his cost figures knows that it is far more economical to run at a steady rate, even if well below capacity, than at overtime a portion of the year and on a part-time basis the rest.

Statistics prove that in a developing

country like our own, long-time demand of ultimate consumers is steady, advancing over a period of years in uncanny regularity.

What lesson may we learn, then, from all this? If I am correct in my belief that the needs of consumers are comparatively even, if my assumption is true that what the worker wants most is a steady job, if production is most profitable when maintained at an average, then why should management not assume the responsibility for correcting an unsound situation and devise means for stabilizing production and employment?

Using strategic locations

A PERFECT cure cannot be achieved, but at least the disease can be moderated. To indicate a remedy, I shall have to discuss methods used by my own company. Originally Walworth had only a single plant in New England. Now we operate five factories strategically located at points where production and distribution can be carried on with the greatest economy.

To provide a further medium of balancing, we have located warehouses at large distributing points where we can store merchandise in advance of our irregular order demand.

Before the depression of 1921, demand for the materials which we produce—valves and fittings—came largely from new building. A market study, however, proved that products demanded for industrial maintenance were more profitable and provided a steadier outlet. Therefore, we began shifting our sales approach to the industrial maintenance field, with the result that today our sales bulk largest from this source.

The study also brought out the fact that we could profit by a change in our sales approach. Our line covers more than 23,000 finished items. Originally we had laid equal stress on all these lines and had placed our advertising emphasis on the great variety of our product. We changed that policy.

We set up a classification of our product, first, by profit margin, second, by turnover, and third, by price fluctua-

tions. We learned that we could well devote the bulk of our sales efforts to lines other than those which had formerly had the major part of our attention.

Further, we discovered that of the 5,000 customers we then had, 1,000 gave us 90 per cent of our total volume. We found that we could well concentrate on these 1,000, who were located in key trading centers, and let the remaining 4,000 find other channels of purchase.

This made it possible for us to produce and distribute a steady assortment of a known list of items to those to whose needs we could best cater.

Upon this smaller group of customers, and with an approximate knowledge of the class of material which they would use, we have based our budgeting and scheduling plan. Our method is briefly this:

For budgeting as well as sales purposes, we divide the country into districts. An estimate of the requirements of each customer in each district is made by the sales manager.

These estimates the statistical department translates into tonnage re-

quirements, first for the year as a whole, and then by three-months periods, for it is on the balancing of production for the year as a whole to meet the varying customer demand by quarters that we achieve our program of stabilization.

In my earlier experience I was greatly disturbed by the fact that there were times when my company had no orders and a heavy inventory.

To overcome this unsound condition was the purpose of our budgeting plan. The best method that we could find was through a proper inventory control.

Our inventory is the basis of production equalization. When orders are slack, we build up inventory.

Stabilizing production

IF IN the first quarter of a year we look for a heavy demand, we run our production schedule in excess of current requirements in order to build our inventory in advance of the buying wave. When the wave comes, we allow the inventory to liquidate somewhat. With a low inventory, we can again afford to produce in excess of requirements until the cycle is once more completed. It is our inventory, there-

fore, and not our production that fluctuates substantially.

With knowledge of the annual tonnage required from each plant, we can closely approximate the number of weeks of work we can give them. Before our stabilization plan was inaugurated, the variation from the peak to the low point of employment was 67 per cent. During the past few years this has been brought within a high and low range of seven per cent. The morale of the workers has been raised and their efficiency increased.

I do not claim that we have solved the problem of production and employment stabilization. I do feel, however, that we have taken a decided step to improve it.

The second industrial revolution is by no means over. Eternal vigilance is necessary to keep pace.

Certainly the responsibility of the executive of today is great. To his employees he owes steady, remunerative and congenial work; to his stockholders, consistent and reasonable profits; to the public, good service, better quality, and decreasing costs. To discharge this responsibility is surely a master task.

What's Ahead for Canadian Business

By LIEUT. COL. J. H. WOODS

President, Canadian Chamber of Commerce

OUR two countries have so much in common that it is sometimes hard to think of one without thinking of the other. Our visits to one another are so frequent as to have become habits, and the exchange of our relationships is unlike that existing between any two countries. It is in the spirit engendered by such circumstances that I present to you some facts relating to my country, hoping that they may lead you to a kindly consideration and affection toward us and an increased appreciation of our national aspirations.

I will not trouble you with general world trade figures but would point out that in 1913 the world trade of the British Empire, including interimperial transactions was 27.75 per cent of the total, and in 1927, 29.48 per cent. In 1913 the United States figure was 11.17 per cent of the total and in 1927 it had

risen to 14.21 per cent. One of the striking factors in the recent development of world trade, however, has been the remarkable advance of the countries comprising the British Empire apart from Great Britain.

The export and import trade of the "British Empire Overseas" for 1928, excluding the United Kingdom of Great Britain and Ireland, was ten billion dollars as compared with nine billion dollars for the United States.

Let me speak briefly of Canada in its relation to world trade:

Taking the year 1913 as an index



Lieut. Col. J. H. Woods

figure of 100, the imports of Canada have increased to 152. The imports of the United States have increased to 180. Taking the same figures with reference to exports, the trade of Canada has increased from the index figure of 100 to 205 in 1927. The exports of the United States have increased in the same time from 100 to 157. The export trade of Canada during these

years has shown a greater growth than that of any other country.

Canadian exports in 1913 were valued at 450 million dollars. In 1928 they were 1,400,000,000 dollars as against

five billion dollars for the United States.

Permit me to give you a few facts concerning recent developments in the Dominion of Canada. The tangible wealth of the Dominion, according to our last census in 1927, quite apart from our undeveloped natural resources, was slightly more than 27 billion dollars, an increase of about 20 per cent in five years. This is the capital that we now possess and by the use of it we hope to advance to greater things.

You are probably aware that the increase of United States capital investments in our country during recent years has been great. We welcome this money as a sign of your friendship and your confidence, but I am sure you will be glad to know that, notwithstanding the large importation of capital into Canada from Great Britain, the United States and elsewhere, Canadian capital itself controls 60 per cent of all Canadian securities, and capital investments in our country from the outside are not much more than 20 per cent of our national wealth.

High place in agriculture

OUR high position in agriculture has been attained in great measure within 30 years. Agriculture has its different phases of activity as most big enterprises have, and it is interesting to know that a policy that may benefit one phase of that activity may react unfavorably on another phase. For instance, your country is a natural importer of cattle and a natural exporter of wheat.

The volume of Canadian cattle exports to your country is so relatively small that it cannot affect your market prices in any degree. Yet it is worth while for the United States to remember that it takes from 30 to 50 acres of our prairie land to support one steer. The importing of that steer into your country is of no price importance in your market but the conversion of that amount of our land to wheat growing is of great competitive importance to your farmer, because it adds that much to the combined surplus of both our countries in supplying the world market.

Thus it happens that legislation which unduly restricts our cattle trade with you finds its immediate reaction in an increased production of a commodity of which we are both exporters. This is actually the result evolving in our country, where the exports of cattle to your country have been decreasing and the cattle land turned into wheat land.

In manufacturing we have shown im-

pressive development notwithstanding the generosity we have exercised toward your country in importing manufactured products worth 481 millions, while in 1927 we produced goods to the value of three and a half billions.

I tell you of my country with pride, but also with confidence that in my story you will have some pride and, because I believe that to be so, I also say to you frankly that we in Canada do not feel that you are treating us as a big brother should. Personal relations between us are so complex, that Canada and the United States often seem almost like one people. And yet in your customs tariff, in your insistence here and there on points which appear to be in your own interest, I am afraid that you do not always treat us as one equal would treat another.

It will be difficult to estimate accurately the effects of your new tariff on Canadian trade until it is in operation, but it is estimated that Canada will be hit in her trade with you to the extent of about 75 millions of dollars a year by the changes you are making. This may not seem a great amount to you but to a country which buys from you about 800 million dollars a year and which only sells to you about 400 million, the cutting off of 20 per cent of that trade is important. It is not, however, to the loss of trade that I refer. It is rather to the spirit by which that loss of trade is being brought about.

I quote you one of your most eminent economists, Professor Taussig of Harvard University.

"The one independent and self-reliant country for which the proposed increases of duty are not merely a cause of friction but have substantive importance, is Canada. There is no case in which complete freedom of trade for the staple agricultural products and the fundamental raw materials is so fully justified as it is in our trade with Canada.

"It would be going too far afield to enter on any detailed discussion of our trade with Canada; it is great in volume, mutually beneficial if ever any trade is, and politically of pregnant importance. For many years we have treated Canada much as a big bully treats the smaller boy. Those Canadians who have championed friendship with us have had no easy task in enlisting their countrymen, and our intolerant tariff policy makes it harder and harder for them to preserve the good relations."

I think I may say that Canada as a whole is feeling a sentiment of injustice toward it in your somewhat ruthless enactments designed to prevent market with you and we are growing to feel

that even if we cultivate a market with you, that market may be cut off from us at any moment.

What then is ahead for Canadian business? One vital factor in the development of our commerce—a factor in which other portions of the British Empire are rapidly joining—will be the cultivation of markets within our own Empire for the goods of one another, making us as far as possible independent of the tariff enactments of other countries.

This movement is not merely in embryo. It will have to go through many trials. It will be hampered by false steps. It has to overcome family prejudices. Yet it will grow. It will not exclude business with you or with anyone else but it will strengthen us in our attitude toward the rest of the world, and will make us a unified trade entity, desiring to deal one with the other rather than with outsiders.

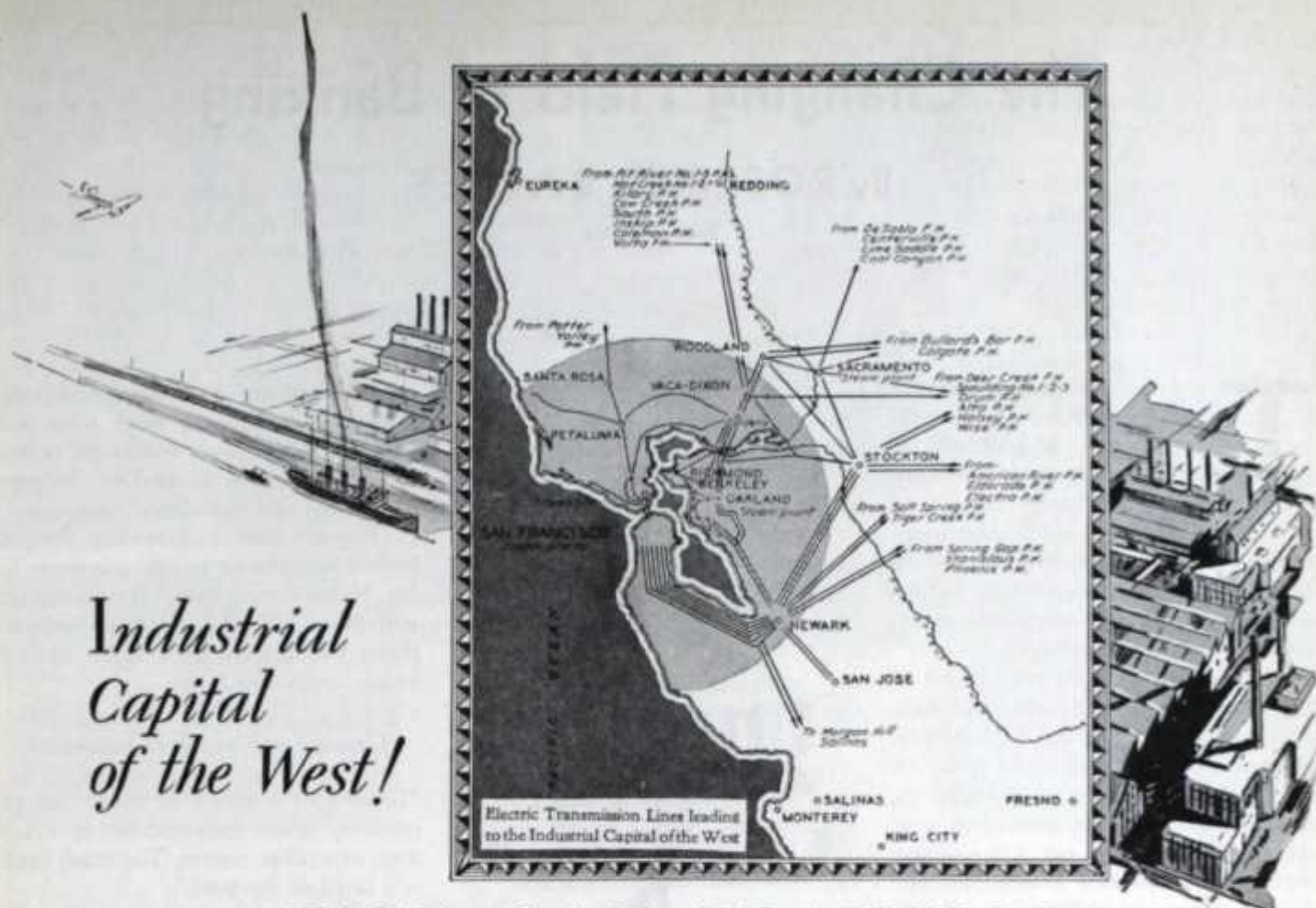
Cooperation is essential

I DO not think nor does Canada think, that a selfish development of this kind is wise, any more than we think that selfishness in the development of any country is fundamentally wise. We believe that we, along with you, have a great mission on this continent which we cannot serve to its utmost separately but which together we may fulfill. We believe therefore in trade with you, in mutual finance with you, in intimate social intercourse with you, in the growth of affection and admiration as between you and us.

We believe that we are to you a great and valuable friend, as you have been to us a great and vivifying example. We say to you:

"Here are your friends from Canada. They have some grievances which they think are just. Seeing that they already buy from you twice as much as they sell to you, they do not think it fair that your tariff legislation should be devoted almost primarily to limiting of their trade. Yet they come to you in affection and esteem, acknowledging that you are mistress in your own house.

"They set before you the position and the aspirations of their country, aspirations which are solidly confined to their development within the British Commonwealth of nations, and they ask you to regard their progress and the courage of their achievements, and to deal with them, as they hope they will deal with you, always in a spirit of compromise and fair play, in generosity of thought and wideness of vision."



*Industrial
Capital
of the West!*

.....THE SAN FRANCISCO METROPOLITAN BAY AREA

One of the outstanding factors in the growth and rapid industrial expansion of this area is the availability of an abundant supply of electric power at low cost.

The industrial power output in the territory served has increased over 200% in ten years.

There is now available through this company's interconnected power system of 34 hydro-electric plants and 8 steam-electric plants 918,966 horsepower of electric energy at exceptionally low rates.

To meet the anticipated growth of the territory served, the company is now expending \$40,000,000.00 for additional hydro-electric energy and \$11,000,000.00 for new steam-electric generating units which will add some 485,000 horsepower to the company's interconnected system.

You will find production costs low in the San Francisco metropolitan Bay area. Natural Gas in abundance at low rates.

Here the coast airways center, rail and water meet, good roads speed up deliveries, climatic conditions aid production.

If you would like to know the opportunity here for any specific industry write the—

PACIFIC GAS AND ELECTRIC COMPANY
P.G. and E.

Serving 362 communities in Northern and Central California
General Offices—245 Market Street, San Francisco

Send for a complimentary copy of "Outstanding Features of the P G and E"

Ind. 1-30

The Changing Field of Banking

By ROBERT L. BARNES

Special Writer

THE American banking system—traditionally based upon operation, through a multitude of relatively small and independent units—has entered an era of radical evolution toward combinations of linked branches of great central institutions or semi-independent institutions knit into close groups with common ownership and management.

This view was clearly brought out at the Round Table discussion on banking trends, even though John G. Lonsdale, chairman of the meeting and president of the American Bankers' Association, warned, in opening the discussion, that the session was "not one for reaching decisions or adopting resolutions, but for the discussion of facts."

"Our system of banking is under scrutiny," John W. Pole, comptroller of the currency, said in opening the discussion. "The real question is whether our traditional system can adapt itself to modern business needs."

Recent failures of small banks, extension of means of transport that concentrate business in larger cities, establishment of chain retail stores that take away local bank deposits, Mr. Pole continued, are among the factors that are changing the banking situation. He suggested that if laws do not allow city banks to establish branches in smaller cities, "business men and bankers may seek remedies under group banking methods that meet present statutes."

Unit banking is American

MAX B. NAHM, of Bowling Green, Kentucky, a director of the Federal Reserve Bank of St. Louis, defended the existing banking structure, though he, too, conceded that limited branch banking is on the way, and should not be opposed by law but safeguarded.

"The genius of the American people has expressed itself in unit banking," Mr. Nahm said. "There are 21,000 unit banks in the United States. They make up 70 per cent of our total number of banks and control 48 per cent of our re-



sources. This is too vast an enterprise to rest under the implication of failure.

"In the last nine years, 88 per cent of our bank failures have occurred among banks with less than \$100,000 capital. Banks in towns of less than 10,000 inhabitants are responsible for 90 per cent of the failures. But branch or group banks in the same localities would have closed under the conditions that caused these failures."

C. T. Jaffray, president of the Minneapolis, St. Paul & Sault Ste. Marie Railroad, one of the heads of First Bank Stock Corporation, which owns nearly 100 northwestern banks, favors group banking.

"We had 1,500 bank failures in northwestern states after 1920. This meant the loss of 350 million dollars in deposits, 80 per cent of them belonging to the thrifty, hard-working farmer class," he said. "Surviving institutions were forced to keep greater reserves and invest more of their funds in bonds, restricting local loans."

"The grouping of these institutions was the best that could be done for our

country, and with two banking corporations now controlling more than 200 banks in county seats and larger points within four states, we find our deposits increasing, and confidence returning.

"We can lend more locally and at lower rates. I want to take exception to Mr. Nahm's remarks on opportunity for individuals offered by the new combinations; young men get a better chance to advance under it."

Groups are more economical

"LINKS of a group of banks can be operated more economically in every way, experience proves. The small bank is a thing of the past."

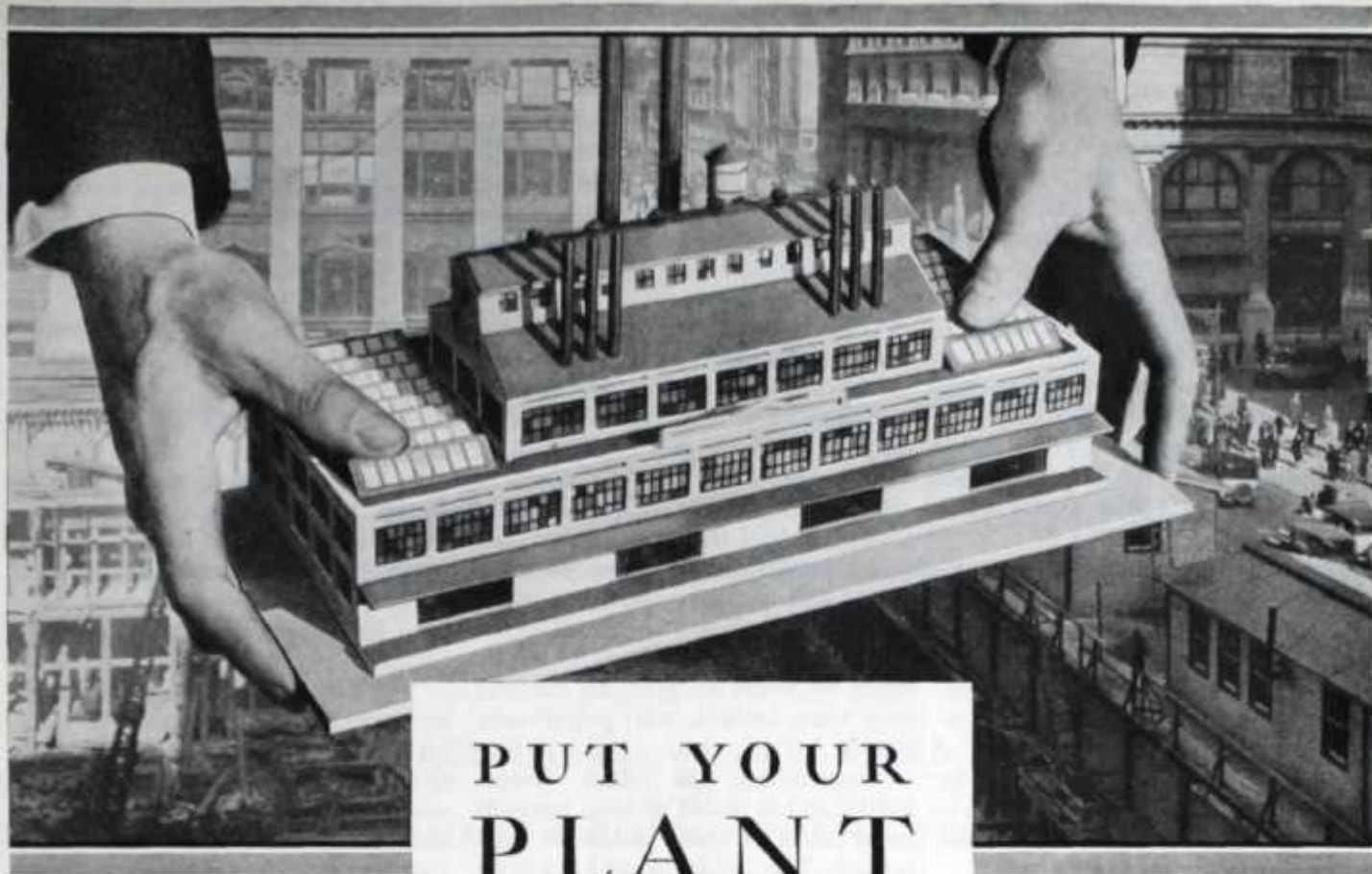
F. H. Fries, head of the Wachovia Bank & Trust Co., Winston-Salem, N. C., aligned himself with bank concentration and urged legislation to permit member banks of the Federal Reserve System to extend beyond the present limits. He warned that if that permission were refused, the growing branch systems might be forced to withdraw from the Federal Reserve.

"Probably the real cause of recent bank failures has been bad credit risks rather than a bad system," he said, "but after 27 years of operating branches we have confidence in its advantages. Defects of chain banking have become apparent. Even where a financially responsible corporation takes over a group of unit banks, the hold seems too slight on links, except insofar as the procedure is intended as a step toward the ultimate establishment of branches."

Mills B. Lane, of Atlanta, said his institution, the Citizens & Southern National, is engaged in "branch, group, and chain banking." He believes "branch banking is the best."

Roy A. Young, governor of the Federal Reserve Bank, sounded a definitely new note.

"Mr. Nahm, I was a unit banker, and that's where my sympathies lie," he said. "But we've passed the point where we can let sympathy control. The tremendous development of group and



PUT YOUR PLANT

in the midst of your customers

YOUR raw materials travel but few paths. Your finished products travel thousands of paths.

When a manufacturer chooses a plant site he must consider where his market is, as well as where his raw materials come from.

Fortunately, there is a location where production costs are low, and where market is nearby. That place is New York State. It offers a manufacturer two outstanding advantages:

1. LOWER COST OF DISTRIBUTION
2. LOWER COST OF ELECTRICITY

As to electric power, the rates in Niagara Hudson territory are decidedly lower than in the nation as a whole. As to marketing costs, New York State is the nucleus of a region which comprises 49% of the nation's people and 55% of the nation's wealth. This great market is economically reached through railroads, waterways and concrete roads. The distance be-

tween producer and consumer is cut to a minimum. The trend toward hand-to-mouth buying favors the producer in New York State.

And it is easy for the New York manufacturer to get his raw materials. Most of these are available right within the state or nearby. Plentiful skilled labor, ample capital, and temperate climate also contribute to low-cost production in New York State.

More information is given in a new 28 page booklet—"New York, the Great Industrial State." This booklet is sent without a personal follow-up. For your copy address the Niagara Hudson Power Corporation, Industrial Development Bureau, Albany, N. Y. If you desire further data, the Bureau's engineers are available to you gratis. On request, they will analyze your costs and your profits. They will rest the case for

New York State on the bare facts as revealed, free from the unusual generalities, and free from the usual salesmanship.



Write for our new book, describing the industrial territory served by Niagara Hudson Power Corporation, including among others the localities listed below:

ALBANY
ALBION
AMSTERDAM
ANTWERP
BALDWINVILLE
BALLSTON
BATAVIA
BOONVILLE
BROCKPORT
BUFFALO
CANASTOTA
CANTON

CARTHAGE
COBLESKILL
CORTLAND
COHOES
DEPEW
DOLGEVILLE
DUNKIRK
E. SYRACUSE
FAIRPORT
FALCONER
FORT EDWARD
FORT PLAIN

FRANKFORT
FREDONIA
GENESE
GLENS FALLS
GLOVERSVILLE
GOVERNOR
GOWANDA
GREEN ISLAND
HAMBURG

HEKKIMER
HOMER
HUDSON
HUDSON FALLS
ILION
JAMESTOWN
JOHNSTOWN
KENMORE
LACKAWANNA

LANCASTER
LEROY
LITTLE FALLS
LOWVILLE
LYONS
MALONE
MASSENA
MEDINA
MOHAWK

NEW YORK MILLS
NIAGARA FALLS
N. TONAWANDA
NORWOOD
OGDENSBURG
OLEAN
ONEIDA
OSWEGO
POTSDAM

PULASKI
RENSSELAER
ROME
ROTTERDAM
ST. JOHNSVILLE
SALAMANCA
SARATOGA
SPRING
SCHENECTADY
SCOTIA
SKANEATELES
SOLVAY

SYRACUSE
TONAWANDA
TROY
UTICA
WATERFORD
WATERTOWN
WATERVLIET
WELLSVILLE
WESTFIELD
WHITEHALL
WHITEBORO
WILLIAMSVILLE

When writing to NIAGARA HUDSON POWER CORPORATION please mention Nation's Business

chain banking indicates a condition that needs correction. I believe the law should allow the extension of branch banking systems in trade areas. Alexander Hamilton, in laying the foundation of the American Banking System with the First United States Bank, really inaugurated the branch system.

"Perhaps Mr. Nahm is right," he said in concluding, "and perhaps unit banks may be able to continue. Perhaps groups can operate and extend successfully."

"Something will develop that will improve the situation. But any law that tends to exclude banks from membership in the Federal Reserve System should not be permitted to continue."

Restricting the branches

"I BELIEVE we are moving on to some form of restricted branch banking," Mr. Nahm said, rejoining the discussion. "Only, I think it should be restricted."

"Branch systems must be confined to limited areas, and must not invade territory of high class unit banks. Somebody must determine the limits."

Prof. O. M. W. Sprague of Harvard, adviser to the Bank of England, suggested that "if branch banking is coming, limits should be placed upon it."

"This country is too large," he said, "for systems to operate on a national scale without succumbing to bureaucratic tendencies. Probably they should be held to operating zones within the trade areas of a single commercial center."

"Then, too, the law should keep the number of branches in proportion with the size of the population to be served."

"I rather believe in the unit system," said Oscar Wells, Birmingham, Ala., banker and former head of the American Bankers' Association, "but I realize that, because of the difficulties national banks encounter in meeting the competition of state banks empowered to extend by branches, we are dealing with a condition rather than with a theory. It might be better to give the national bank some latitude, with proper safeguards."

"Nevertheless," he added, "recent legislation has placed national banks in better position to meet state bank competition. They might be asking a good

deal more than state banks would concede if they sought legislation empowering them to branch out in states that do not allow local banks to take similar steps.

To compare with state banks

"IT MAY be that as a practical matter," he concluded, "Congress should not be asked to give national banks more privileges than held by state banks within the states where such national banks are located. This would enable the states to take the initiative in the matter."

In the discussion that followed, Joseph Bruns of New Albany, Ind., asked how the Federal Reserve member banks which had no branches could compete with state banks which might have legal charter powers to establish branches.

"I might suggest, that if Congress gives national banks the power of crossing state lines with banking operations," Comptroller Pole responded, "they would have a tremendous advantage and would be able to meet the situation you suggest."

Construction Surveys Its Problems

By L. W. MOFFETT

Washington Correspondent, The Iron Age

ACCOMPLISHMENTS in the restoration of construction, the need for further organization in the fields of economic research and financing, the need for advance budgeting of major projects, and the conduct of educational programs looking to maintenance of employment and normal business conditions were laid before the round table conference on "What's Ahead for Business in Construction," at the New Willard Hotel, April 29.

Presided over by Frederick L. Cranford, president of F. L. Cranford, Inc., New York, the dominant note of the session was one of optimism over progress made and being made.

Mr. Cranford pointed out that in calling the National Business Conference last fall, President Hoover asked construction to lead the way to industrial stability and that the men present had gathered to see what has been done and can be done further to promote the

President's request. The responsibility for the effort, he pointed out, is not alone that of the Government but rather is of a collective nature calling for "individual push and determination."

Speakers included men prominent in federal, state and municipal governments, building construction, banking and industries. They discussed the various problems connected with promoting construction and stabilizing employment and production.

Depressions are not necessary

DR. JOHN M. GRIES, head of the Division of Public Construction, Department of Commerce, told the group that there has been a change in the old "fatalistic" view held by government and business that cycles of ups and downs were inevitable.

It is now realized that periods of peak and depression can be controlled, a fact that was developed from the un-

employment conference of 1921 called by President Harding.

As the official responsible for coordinating efforts of federal, state and municipal governments to stimulate public works when business was organized to bring about stability last fall, Dr. Gries said that the prompt action taken and cooperation given had prevented a most grave situation and that marked progress has been made in the solution of the problems dealt with.

Work of speeding up construction and expediting the award of contracts, through legislation and by other methods, have made millions of dollars immediately available to push forward with the various activities, he added. Contracts awarded for public buildings during the first quarter of the current year were 33 per cent in excess of those awarded during the same period of last year, which in itself established a new peak, he declared.

As evidence of the work done by the



H. M. Byllesby and Co.

INCORPORATED

UNDERWRITERS, WHOLESALERS AND
RETAILERS OF INVESTMENT SECURITIES
... SPECIALISTS IN PUBLIC UTILITIES

CHICAGO
231 SO. LA SALLE ST.

NEW YORK
111 BROADWAY

BOSTON • PHILADELPHIA • PITTSBURGH • PROVIDENCE • DETROIT • CLEVELAND
MINNEAPOLIS • ST. PAUL • MILWAUKEE • ST. LOUIS • KANSAS CITY • DES MOINES

DIRECT PRIVATE WIRES
CHICAGO • NEW YORK • BOSTON • PHILADELPHIA



federal, state, county and municipal governments and by public utilities, he pointed out that, according to F. W. Dodge reports, contracts for public works and public utilities in 37 states during the first quarter of 1930 aggregated \$303,500,000. This represented an increase of 55 per cent over those awarded during the corresponding period of 1929. Contracts for public buildings, he said, have shown an increase of 33 per cent and for post-office buildings an increase of 178 per cent.

Checking unemployment

SPEAKING for Gov. Myers Y. Cooper of Ohio, who was unable to be present, William T. Blake, industrial director of that state, told of the prominent part taken by Ohio, its counties and cities, together with committees representing business, labor, agricultural, civic and other interests in expediting private enterprise. As a result, a relatively small dip was shown in unemployment conditions in that state.

Col. Clarence O. Sherrill declared that a proper stabilization program in municipalities would undoubtedly make possible the doubling of construction work in any year when such work is vitally necessary and the decreasing of such work by an equal amount in periods when it is not essential.

Colonel Sherrill, who recently resigned as city manager of Cincinnati to accept an executive position with a chain-store organization, told of the success met by Cincinnati, Hamilton County, Ohio, and the Cincinnati Board of Education in attacking the problem of stabilization through a five-year budgeting of major development projects.

Under this plan, he said, there has been more construction in the Cincinnati metropolitan area in the past three years than in the previous ten, and more contracts have been let since the stock-market crash than in any equal period for many years.

Residence building is complicated

RESIDENTIAL building was said by Ernest T. Trigg, president of John Lucas & Company, Inc., to represent not only the largest type of construction but also to be, in some respects, the most complex. He declared that stabilization in this field may be promoted by vacancy surveys. These ought to be, he added, in sufficient detail to show the specific types and neighborhoods of dwellings and business properties where vacancies are high or low. Such surveys, he explained, have been made in a rapidly

growing number of cities during the past few years.

Taking up this suggestion, Ernest J. Russell, of Mauran, Russell & Crowell, St. Louis, pointed out that young people are perplexed as to how they can build a home and that there is no place for them to go for a solution of their problem. It would be well, therefore, Mr. Russell said, to build up authentic information on the subject, to be gathered by the Department of Commerce and local organizations, made up of real estate men, lawyers and chambers of commerce, thus encouraging home ownership.

Basing his remarks on a nation-wide survey, just completed, Fenton B. Turck, Jr., vice president of the American Radiator & Standard Sanitary Corporation and chairman of the National Building Survey Conference, said that a pronounced improvement in residential construction was indicated in the larger cities in the next few months and also material improvement in the total residential figures for the year.

The financing field, he stated, shows a continuation of the return of funds to small mortgage sources and the availability of such funds for nonspeculative residential construction.

Phillip W. Kniskern, vice president of the Continental Mortgage Guarantee Company, New York, said that the bond and investment markets now are showing a better tone. The safety in mortgage

investment for home financing is indicated, he stated, by the fact that, when carefully made, such investments never show so great a shrinkage in value as do most other investments. Moreover, he added, defaults in mortgage interest have decreased and in some instances are now less than one-half of one per cent.

The ultimate source of finances for real estate is the public, he said in urging that the public be educated to the soundness of investment for home building.

Conditions in real estate and farm financing are much better, Thomas F. Clark, president of Thomas F. Clark Company, New Haven, Conn., declared. Mr. Clark said that there is a plentiful supply of funds for farm loans, especially from insurance companies.

Likewise, he added, mortgage bankers are performing their duties in an able manner and are lending on sound securities. Money has been turned from speculative markets to this class of investment as well as to home financing, he said.

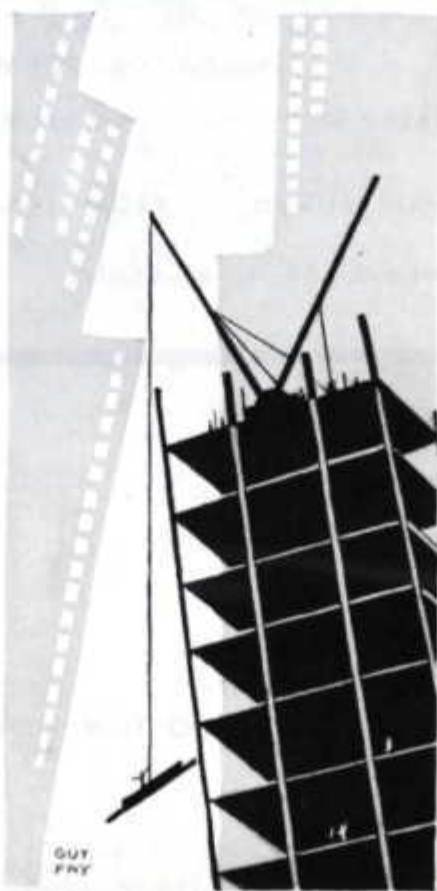
To stabilize small building

THOMAS S. HOLDEN, vice president of F. W. Dodge Corporation, New York, explored the possibility of stabilizing residential building. He urged research directed toward reduction of costs, so that those of small incomes will be encouraged to build homes. He suggested to that end studies of land economics, standardization, and architectural design that would give maximum space and quality at minimum cost.

The problem of supply and demand, he said, must be worked out by local organizations through committees from chambers of commerce, financial institutions and other organizations. Further, he recommended research and educational work so that the problem could be dealt with both from the economic and social point of view.

Frank A. Chase, Chicago, in charge of a survey of home financing for the National Lumber Manufacturers' Association, emphasized the safety of loans on small homes. The decline in the ratio of home owners he attributed to the difficulty of getting reasonable terms and advised sounder plans for home purchase.

Junior lien financing on an amortized basis, he said, constitutes a drain upon borrowers that is beyond their ability to stand. Out of the conference, he declared, should grow means of organizing resources for the stabilization of the situation.



The Fertile Field of Foreign Trade

By ROBERT SMITH

Washington Correspondent, Philadelphia Public Ledger

DELEGATES to the Annual Meeting who attended the round table conference on "What's Ahead for Business in Exporting" learned that there are some bright spots on the foreign commerce map, notwithstanding the recent slump, and that improved opportunities for developing trade are in prospect.

Among many other things they were told that:

European international cartels have not proved to be a menace to American export trade.

Canada, while not disposed to meddle in American policies, is fearful of the effect of the Hawley-Smoot tariff on its trade with the United States.

Some American manufacturers, notably automobile makers, look with concern on the prospective raising of tariff rates to a point where they may cause a repercussion injurious to export business.

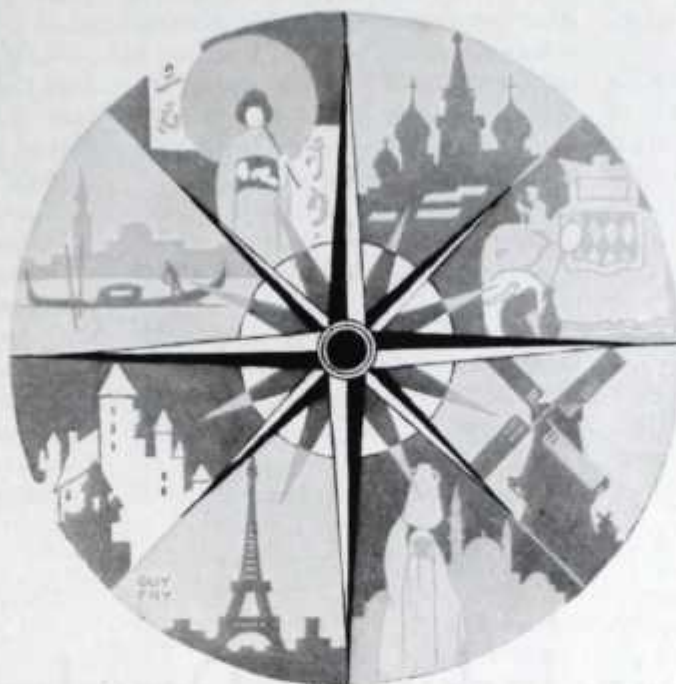
France is speculating somewhat anxiously over the possible decline of its immensely valuable tourist business as a consequence of the market crash here.

The production of automobiles has caught up with the annual demand in the United States and, in order to increase output, American manufacturers must develop the foreign market.

The establishment of branch plants abroad has been one of the most effective means by which American industries marketing in foreign countries have maintained their dominant positions.

Germany appears to be rapidly on the road to economic recovery.

Evidence that business is slowly emerging from a recession, world-wide in its scope, was presented convincingly in a survey of the international situation by W. L. Cooper, director of the Bureau of Foreign and Domestic Com-



merce of the Department of Commerce. Mr. Cooper summed up his view of conditions in these words:

Prepared for an upswing

"MANY of our foreign customers have had their purchasing power reduced. However, their standards of living have not been generally lowered; their industrial equipment is intact; efforts are being made to control production within reasonable limits; prices are becoming stabilized and money is easier. There is reason to believe that the worst is over. Needless to say, the United States will be prepared to take advantage of any upswing."

Analyzing the cause of depressed business conditions throughout the world, Mr. Cooper remarked that "paradoxical as it may sound, the world seemed to have suddenly grown poor because of overabundance. There was a surplus of food stuffs and raw materials which could not be marketed at a profit; there was an abundance of labor which could not be fully employed; there was an abundance of equipment in the industries which could not be utilized to the full.

"Due partly to better crops and to improved methods of production, there

has been an accumulation of stocks and reserves. The low prices of food stuffs and raw materials, resulting largely from the oversupply, failed to stimulate trade, however, for they lowered the purchasing power of the agricultural countries."

Discussing commodity prices, which have been virtually stationary during the past few weeks, Mr. Cooper said:

"No one can predict the immediate future trend of price curves, but one hopeful conclusion can be reached—a large part of the reduction of prices both in the United

States and elsewhere during recent years seems to be justified by increasing efficiency of production. Lower costs, due to better management, higher labor productivity and constantly increasing use of machinery have enabled many producers to make profits even at lower selling prices. If this can continue, we need have no undue alarm over prices that look low as compared with those of a few years ago."

One of the brightest spots in the export situation, Mr. Cooper stated, has been the growth of American machinery shipments.

More machinery exported

"OUR machinery exports in 1929," he said, "were the highest on record. The evidence so far this year indicates that the trend is still upward, as the exports for January and February were nearly nine per cent higher than for the corresponding period a year ago. As our exports of machinery last year were second only to our exports of cotton, the importance of the machinery export trade will be appreciated."

Figures showing the increase in trade with Russia during the last several years were presented by representatives of the Amtorg Trading Corporation. Sam-

uel S. Shipman, editor of the "Economic Review of the Soviet Union," read a paper for J. M. Markoff, vice president of the Amtorg Corporation, in which the latter asserted that the recently developed trade with Russia constituted "one of the bright spots" in the export business.

The Soviet Union, Mr. Markoff said, with a large construction program under way, presents an important and steadily growing market for American machinery and equipment.

The pending tariff act came in for considerable attention in the course of the conference. Dr. John W. Ross, chairman of the executive committee of the Canadian Chamber of Commerce, said that while he recognized tariff-making was the United States' own business, the Hawley-Smoot bill would reduce American exports to Canada approximately \$75,000,000 annually.

H. H. Rice, assistant to the president of the General Motors Corporation, advocated a searching study of the tariff in its relation to the development of

foreign trade. He realized, he said, that there was "a lot of dynamite" in the subject, but asserted that it ought to be discussed frankly "if foreign trade is to be considered really foreign trade and not merely export business. In the long run," he declared, "we must import as much as we export."

At this very moment, he said, France "is giving us a dose of our own medicine" by virtually doubling the duty on American automobile imports. Although a believer in the general principle of tariff protection, Mr. Rice saw no wisdom in trying to bolster up production by increasing duties to the point where they would injure export trade.

"Our prosperity is very largely dependent on our export business and we must find ways to promote it," he added.

Thomas R. Lippard, president of the Stewart Motor Corporation, of Buffalo, declared that "further expansion of the automotive industry must come from export."

"Many men claim that other coun-

tries never will have as many automobiles per capita as are at present in use in this country," he said. "I think, however, that the World War has done a great deal to raise the standard of living, also the ambition, of people in foreign countries to imitate the standard of living we are enjoying. The demand for automobiles and motor trucks from foreign countries during the next ten years will be a great surprise to all of us."

W. W. Kinkaid, president of the Spirella Company, Inc., of Niagara Falls, New York, held that branch plants abroad have been extremely helpful in holding for the United States a dominant position in world industry.

"Many reasons tend to make it more profitable for certain concerns to establish branch plants abroad than to export their products," he said. "Were it not for these branch plants these industries could not participate in world trade."

William C. Redfield, Secretary of Commerce during the Wilson administration, presided at the meeting.

Trends in Industrial Development

By ARTHUR W. CRAWFORD

Washington Correspondent, The Chicago Tribune

THE round table conference on "What's Ahead for Business in Industrial Development," held at the Washington Hotel, April 29 was divided into two principal phases, one dealing with the new notes in community industrial development; the other with cooperation for management improvement in local industries.

A. D. Mackie, vice president and general manager of the Illinois Power Company, Springfield, Ill., presided. E. W. McCullough, manager of the Department of Manufactures of the Chamber of Commerce of the United States, served as secretary.

Earl Whitehorne, vice president of the McGraw-Hill Publishing Company, and Col. John B. Reynolds, director of industrial development of the Middle West Utilities Company, Chicago, opened the discussion with addresses on "New Notes in Community Industrial Development."

Prof. Ervin H. Schell, of the Massachusetts Institute of Technology, and



Morris E. Leeds, president of Leeds & Northrup Company, Philadelphia, Pa., were the principal speakers on "Cooperation for Management Improvement in Local Industries."

Industry or farm?

A DOZEN or more of the 200 in attendance at the luncheon meeting participated in the discussions.

Chairman Mackie, in opening the conference, said that in his opinion "the destiny of this country lies in industry rather than in the farm."

Mr. Whitehorne said that the question of the development of industry "is going to occupy our attention in a very broad way."

"The economics of plant location must occupy a great



You can call the roll of the 48 states and all the provinces by the license tags of cars that park around Dufferin Terrace—where the outdoor cafe of Chateau Frontenac provides a tasteful haven and refreshing Coca-Cola.

*It
had to be good
to get where
it is*

Drink
Coca-Cola
Delicious and Refreshing

Coming and going through Old Quebec the touring thousands *pause and refresh themselves*

SPRINGTIME again and the call of the open road! Old Quebec City, where everybody goes or wants to go. California and Oregon park with Georgia and Massachusetts to enjoy *the pause that refreshes*. Through rose-colored glasses of ice-cold Coca-Cola tired tourists review one of the great joys of the long, long trail. For, across

the Dominion and in every city, town and hamlet in the U. S. A., there's no drink so easy to get, so popular and so surely refreshing. * * * And at home in office or workshop, along hot, crowded city streets, how cheerful this same pause. You relax and enjoy that cool, wholesome refreshment only Coca-Cola can give. Ice-cold,

tingling, delicious, it's the one drink that fits all times, all places, all thirsty needs.

THE BEST SERVED DRINK IN THE WORLD

A pure drink of natural flavors served ice-cold in its own glass and in its own bottle: The crystal-thin Coca-Cola glass that represents the best in soda fountain service. The distinctive Coca-Cola bottle you can always identify; it is sterilized, filled and sealed air-tight without the touch of human hands, insuring purity and wholesomeness. The Coca-Cola Co., Atlanta, Ga.

NINE MILLION A DAY

deal of our thoughts," he declared. "It has been the practice for cities to compete for plants and to lure industries without proper investigation of all the circumstances. We must give more careful study to the intergradation of industries within a community with a view to the establishment of plants for the manufacture of parts of commodities produced in the same community."

Mr. Whitehorne told of a visit of a group of editors, including himself, to 17 cities in the Southeast last year followed by a tour of industrial cities in New England.

"Out of these two trips came an interesting contrast," he said. "In the Southeast the cities are operating with a very high degree of individuality. The cities are competing with each other and offering subsidies to industries. There is a lack of cooperation such as has been developed in New England, where the New England Council is guiding industrial development."

Electricity helps small towns

MR. WHITEHORNE added that he had just come from a meeting in Asheville, N. C., where manufacturers of southeastern states made a start toward setting up an industrial council.

Colonel Reynolds, in his address, said that steam power applied to industry made the first expansion of industry possible and that with the advance of electrical science it became possible to establish plants in smaller communities. The electrical industry, he said, is almost entirely responsible for creating this condition.

When general discussion was opened following these addresses, attention was directed by an Orlando, Fla., delegate to the fact that the Florida legislature has proposed an amendment to the state constitution permitting tax exemption as an inducement to industries. This is shortly to be put before the voters. Chambers of commerce in Florida, he said, are divided on the proposition.

William L. Willson, chairman of the industrial committee of the Florida State Chamber of Commerce, defended the amendment.

"I am the author of the Florida tax exemption proposal," he said. "We have a peculiar situation there. We have to get something or starve to death. Florida is suited for certain basic industries. We do not ask industries to come there which ought not to be located in our region."

W. C. Culkins, of Cincinnati, inquired if "it is fair to established industries to offer exemption to new industries?" His

question stirred applause. W. Gerald Holmes, of the Central Maine Power Company, Portland, Me., was called upon by Chairman Mackie to discuss the question of giving inducements to new industries.

"What is going to happen when all the industries have been moved and all are enjoying exemption?" asked Mr. Holmes. "It seems to me that, generally speaking, the manufacturer who cannot bear his share of governmental expense has no economic justification."

"We have got to get away from the 'hurrah boys' appeal and get down to a careful, technical analysis of what industries fit our communities."

Professor Schell, in his address, said that the development of local group management as a means of bettering management activities has been rather slow.

Talking over difficulties

"INDUSTRIES which most need group management are usually the least eager to obtain it," said Professor Schell. "Industries which are having difficulties do not care to air them. An industry which goes before a group of other manufacturers is exposed to gossip and possible injury to its credit. The real benefit which comes out of group relations is in the ability of a conference to get to the bottom of difficulties and throw light on the situation in a way that will be helpful. It takes some courage for manufacturers to sit down with each other and do this. But when they do they begin to get results."

"There are difficulties in managing this sort of a cooperative enterprise and difficulties arise in the cost of such a group activity. It is going to cost the price of a man to run it."

Professor Schell described the work of two group management organizations in Boston, the Manufacturers' Research Association, which is made up of non-competitive manufacturers, and the Shoe Manufacturers' Research Association, which includes manufacturers who are in competition with each other. These organizations, he said, have pooled their information, maintain various subcommittees, and have proved helpful to their members.

"In order to make a plan of this sort successful you should have a group of men who have more than a superficially friendly relationship," said Professor Schell.

"You must have a full-time man in charge of it. You must line it up so that the men in it contribute directly to its

support. There should be an expressed willingness on the part of the chief executives to allow subordinates to disclose their difficulties."

"Meet these requirements and I think you can put in a plan which will do your community a lot of good."

Mr. Leeds, the next speaker, was described by Chairman Mackie as "a leader in the technique of factory management." He devoted himself to "what is confronting industry in connection with the regularization of employment and the problem of unemployment."

Lack industrial management

"IT is a tragic and curious phenomenon of our industrial situation that on the one hand we have idle workers and on the other hand idle factories capable of greater production," said Mr. Leeds. "We lack the industrial management to get the two together."

"If we are not going to turn to a government method of meeting the situation the only other way is for industrialists to deal with it. The problem must be met by a development of a business consciousness. All we have been able to do in Philadelphia is to make some suggestions. In particular we recognize that this is an obligation of industry which we cannot hope to solve at once and which may disturb us for the next decade."

Mr. Leeds outlined three suggestions.

"First, there should be good employment methods to connect the unemployed with positions," he said. "Of course no system can provide jobs where there aren't any. The government and state employment agencies and also private agencies should seek to coordinate their efforts and to eliminate some of the present wasteful methods by which those who are unemployed are obliged to seek jobs."

"Second, we should carefully study the preparation which our young people are getting for industry in educational institutions. We find that many young people get into jobs which last only a short time and they are then out of work."

"Finally, our most important recommendation and one on which we are least clear is the cultivation of industrial responsibility for the problem of unemployment. We should develop methods by which industrial groups can regularize employment."

"We venture to suggest that our financial institutions should take a leading part in forming what we call an institute of regularization of employment."

At the A. T. A. E. Meetings

TWO CABINET secretaries and a senator were on the speakers' list at the mid-year meeting of the American Trade Association Executives, held at the Mayflower Hotel April 30.

Secretary of Commerce Lamont made the presentation speech for the American Trade Association Executives Award, the bronze medallion for the most outstanding achievement of a trade association going to the National Automobile Chamber of Commerce. Alfred Reeves, manager of the National Automobile Chamber, replied, expressing his organization's appreciation of the award.

Honorable mention in the Award was given the National Lumber Manufacturers Association, the National Association of Dyers and Cleaners, the American Paint and Varnish Manufacturers Association, the Society for Electrical Development, and the National Retail Credit Association.

Secretary of Agriculture Hyde, in a forceful address, emphasized the value of organized effort.

The place of lobbying

SENATOR T. H. CARAWAY, chairman of the Senate Lobby Committee, which investigated lobbying activities of trade associations, said that right of petition should not be denied a representative of a group, but that such representative should, as an attorney does in a case before a court, announce the interests that he represents.

Leslie C. Smith, vice president of the American Trade Association Executives and secretary of the National Association of Ice Industries, presided.

At the A. T. A. E. luncheon, held in the Mayflower Hotel Chinese Room May 1, John Lord O'Brien, assistant to the Attorney General, explained, in an informative address, the powers of the Department of Justice and the Federal Trade Commission in relation to trade associations.

Committee reports showed that the Association now has 482 members. The purposes and aims of the National School for commercial secretaries was explained and the program for the eleventh annual convention to be held at Niagara Falls Sept. 24 to 27 was outlined.



No Question whose office this is

THIS office belongs to a man who has reached the top. Success speaks from every detail of luxurious equipment. For Art Metal's new executive suite was designed for the successful man.

Beautiful two-tone walnut, hand-grained on steel by Art Metal craftsmen, delights the eye. Every refinement of construction possible to the art of steel cabinetmaking marks this suite. From the handsomely grained tops to the cushioned glides of the footings, no possible convenience has been omitted.

You'll appreciate no less the more practical side of this new De Luxe Suite in steel. Desk drawers that glide in or out on ball-bearing roller suspensions, operate at the touch of a finger. Drawer compartments can be easily adapted to

fit individual requirements. And the sturdy steel construction offers a lifetime of service, free from the annoyances of chipping, warping or swelling.

This new Executive Suite is only one of many items in the Art Metal line. The complete line includes more than 600 styles of modern office equipment . . . all of steel, all in beautiful olive green or wood-grain finishes.

We shall be glad to furnish information on equipment for your type of business. Just check your wants below and we will forward a catalogue.

Art Metal Construction Co., Jamestown, N. Y.

- | | |
|-------------------------------------|---|
| <input type="checkbox"/> Desks | <input type="checkbox"/> Upright Unit Files |
| <input type="checkbox"/> Plan Files | <input type="checkbox"/> Counter Height Files |
| <input type="checkbox"/> Fire Safes | <input type="checkbox"/> Horizontal Sectional Files |
| <input type="checkbox"/> Shelving | <input type="checkbox"/> Postindex Visible Files |

The flat top desk in the Art Metal De Luxe Suite is Style 3800-FST, size 60 x 38 inches.



Prominent Users of Art Metal Office Equipment

Procter & Gamble Co.
Atlas Portland Cement Co.
New York Life Insurance Co.
Crucible Steel Co.
National City Bank
American Can Co.

Art Metal

STEEL OFFICE EQUIPMENT

What of Our Inland Waterways?

By STANLEY H. SMITH

Washington Bureau, The Traffic World

CANAL and river transportation made possible by large expenditures of public funds was attacked and defended at the round table conference at the New Willard Hotel, April 29, on "What's Ahead for Business in Inland Water Transportation?" Lucius Teter, chairman of the board, Chicago Trust Company, Chicago, presided, and C. W. Stark served as secretary.

The issue as drawn by those participating in the discussion was:

Is the Government justified in spending vast sums to improve inland waterways?

Spokesmen for the railroads contended that, if all costs are considered, water transportation, except that on the Great Lakes and the seas, is more expensive than rail transportation. Other speakers declared that expenditure of public funds on inland-waterway transportation is justified because it is decidedly in the public interest that cheaper transportation be made available to the interior.

Cleveland A. Newton, of St. Louis, general counsel of the Mississippi Valley Association, said that the interior needs a cheaper form of transportation if industry and agriculture are to share in the country's prosperity. Finding itself landlocked by the operation of the Panama Canal, he said, the Middle West is turning to inland-waterway transportation as the remedy for its difficulties. Manufacturers in the interior, he said, could not compete with manufacturers having water transportation unless they, too, can have the advantages of the lower costs afforded by water transportation.

Rail, water costs compared

CONFINING his discussion to the comparative costs of inland water and rail transportation, Samuel O. Dunn, editor of *Railway Age*, said that experience and available data indicate that "with few exceptions due to unusual conditions, transportation on improved rivers and canals always has been more ex-



pensive than by rail, is now, and probably always will be.

"The only cost paid for the transportation of freight by rail is the freight rate charged," he said. "Transportation by inland waterway really has two costs. The public pays the interest on the investment made in improving the waterway and building terminals, and the expense of maintaining them. The shipper pays for the actual movement of freight."

"The nation's railway system is being efficiently operated and is equal to the demands made upon it," he said. "When it is proposed to develop another system of transportation by spending public money, the burden of proving that this system can give cheaper service obviously rests upon those who made it."

"To say that development of water ways will 'cheapen transportation' because it will carry part of the nation's freight at lower rates simply evades the real issue. The cost of transportation, whether by airway, highway, waterway or railway, is the total amount that is paid to provide it, regardless of who pays all or any part of it. All the people directly or indirectly pay both taxes and freight rates. The question of the

expediency of developing any inland waterway always is a question of taxation as well as of freight rates. The public is being urged to invest a large amount of capital in inland waterways.

"It ought not to invest it, or be asked to invest it, on incomplete information, and no information is complete if estimates of the reductions in freight rates are not accompanied by reliable estimates of the taxes the public must pay to obtain the rate reductions predicted."

John H. Small, former president of the National Rivers and Harbors Congress and former member of Congress, criticised Mr. Dunn's argument. The only conclusion that could be drawn from it was that inland waterways could not transport traffic as cheaply as the railroads, he said. "It is pertinent to inquire," he added "if that is the case, why the railroads drove the boats off the inland waterways and why the New York Central has opposed transportation on the Erie Canal.

Policy of the government

"THE public demanded improvement of the waterways to obtain the cheaper transportation they afforded. The policy of the Government is so well established that it will not be overturned."

Fred. W. Sargent, president of the Chicago and North Western Railway Company, argued that history did not support the charge that the railroads had driven the boats off the rivers. He said he did not believe that the policy of the New York Central was as indicated by Mr. Small. He charged that the railroads were not getting a "square deal" from the Government as to taxation and competition on the inland waterways.

Restrictions imposed on the railroads, he declared, prevent them from competing with the government barge lines and intercoastal water carriers operating through the Panama Canal.

He asserted that if these restrictions were removed, the railroads could make rates lower than the barge rates. It is un-American and unfair to tax the rail-

roads to support a competing transportation agency, he contended. Answering a statement that the railroads had benefited by land-grant aids, Mr. Sargent said these aids had been paid for and would be paid for again because the Government had driven a sharp bargain in requiring land-grant railroads to carry government freight at rates 50 per cent lower than the regular commercial rates and mail at 20 per cent lower than the regular rates as long as they operated.

Benefit to the public

S. A. THOMPSON, secretary of the National Rivers and Harbors Congress, concluded from the arguments advanced that the railroads were against improvement of waterways. That improvement, he said, was attacked principally on the ground that it would take business from the railroads; yet in 43 years of experience he had not seen that happen.

Expenditure of public funds to improve waterways is justified because of the benefits to the public, including the railroads, in the opinion of W. R. Dawes, president of the Mississippi Valley Association and of the Central Trust Company of Chicago. He agreed that the railroads were unduly taxed and said they should have relief.

"But," he added, "I am convinced that waterways would increase business and if I did not so believe I would not support waterways improvement."

Comparison at this time of inland-waterway transportation and railroad transportation is not fair, in his opinion, because the rail plant is highly developed while the water plant is not. He urged that time be given to work out the waterway problem.

"In the end," he said, "both waterways and railroads will benefit."

Among those who participated in the discussion and who favored improvement of waterways were William Nelson Pelouze, of Chicago; Cornelius Lynde, of Chicago; C. C. Wrenn, of the Inland Waterways Corporation; Malcolm M. Stewart, of the Cincinnati Chamber of Commerce; and W. S. Montgomery, editor of the New Albany, (Ind.) *Daily Tribune*.

L. S. Rose, of Memphis, Tenn., representing the American Warehousemen's Association, criticized free storage practices of the government barge line, which he said were taking business from private storage operators.

An appeal for consideration of inland-waterway transportation solely on the basis of its economical and commercial worth was made by S. B. Botsford, of the Buffalo Chamber of Commerce.

Houses of Parliament, London



For Those Who Own English Assets—Specialized Executor Service

THE settlement of estates containing English assets can be greatly facilitated by utilizing the services of the Guaranty Executor and Trustee Company, Ltd., London, a subsidiary of the Guaranty Trust Company of New York.

When appointed under an individual's will or trust, or when employed by executors, trustees, or administrators to administer English assets, our English subsidiary affords many advantages. It is a fully authorized and complete English trust organization with all of the international facilities of the parent company at its disposal.

We invite inquiries regarding any phase of our service from trust companies, banks, lawyers and other individuals.

Guaranty Trust Company of New York

140 Broadway

LONDON PARIS BRUSSELS LIVERPOOL HAVRE ANTWERP

CAPITAL, SURPLUS AND UNDIVIDED PROFITS

MORE THAN \$290,000,000

Conserving Our Natural Resources

By LYNNE M. LAMM

Washington Correspondent, Daily Metal Trade

POSSIBLE legal curtailment of production in the lumber, petroleum and coal industries of the United States was the keynote of the round table conference of the Natural Resources Industries, held April 29, at the Washington Hotel.

As an outgrowth of the conference, the following resolution was adopted:

"Resolved, That the Natural Resources Round Table recommends to the Board of Directors of the Chamber of Commerce of the United States that it authorize an immediate study upon which may be based a recommendation for a national policy toward the reasonable conservation of natural resources including appropriate legislation."

The resolution committee consisted of Milton L. Lissberger, chairman; C. E. Bockus, for the coal industry; W. R. Boyd, for the oil industry; A. J. Peavy, E. G. Griggs, for the lumber industry; L. W. Rowell, for the fertilizer industry; and M. E. Robinson, for the retail coal industry.

Col. William B. Greeley, former chief forester of the United States and now manager of the West Coast Lumbermen's Association, Seattle, Wash., was chairman of the conference and W. DuB. Brookings, of the National Chamber, secretary.

Colonel Greeley, in his opening remarks, called attention to the serious condition which confronts the lumber manufacturers of the Pacific Northwest because of over-production. He stated that programs of production curtailment have been worked out and submitted to the Department of Justice but that the Department had "poured cold water" on the project.

He expressed the belief that one of the methods of reducing the present waste in the industry is consolidation of units. Sooner or later, he said, this will have to be undertaken.

More lumber is being cut than is being consumed, he continued, a condition that has created a troublesome situation out of which the industry has yet to find its way.

The present tendency in his section,

he said, is to throw the cut-over lands back to the state.

Colonel Greeley called attention to the fact that when the present anti-trust laws were passed conditions were much different from those now prevailing. There should either be new legislation, he said, or the present law should be interpreted differently.

Dr. Wilson Compton, secretary-manager of the National Lumber Manufacturers Association, told the conference that it is the belief of that Association that there should be a fact-finding agency for the timber industries, to be called a National Timber Conservation Board. This board should make a study of the whole timber problem and present findings of facts and make rec-

ommendations, he declared, as his Association intends to ask President Hoover to appoint such a board.

E. B. Reeser, president of the Barnsdall Corporation of Tulsa, Okla., petroleum refiners, and also president of the American Petroleum Institute, told the conference that the courts have held that petroleum is not in commerce until it gets out of the ground.

He stated, also, that the petroleum interests had submitted a plan of cur-

tailed production to the Department of Justice as had the lumber interests, and that the Department had not looked on their plan in any other light than it had the lumber plan. In other words, it would allow none of it.

Mr. Reeser stated that without some kind of conservation in the petroleum industry the large producers would and could put about 75 per cent of the small producers out of business.

Conservation, he said, is imperative, because of the limited future supply of petroleum. There are now, he said, more than 600,000,000 barrels of oil above ground.

Herbert R. MacMillan, president of the California Oil & Gas Association of Los Angeles, told the conference of oil-production curtailment in his state as the result of cooperative methods, recognized as legal by the state. He said that the state legislature had passed a law for oil curtailment but that it had not worked out satisfactorily until the producers had gotten together.

Curtailment is working out

MR. MACMILLAN reviewed in some detail the California curtailment law and touched on its present effect. The oil producers, he said, are pleased with the way their cooperative efforts are now working out.

"Our refinery operations," he continued, "had been curtailed to 61.3 per cent of their total capacity on April 12. The general curtailment of refinery runs in the United States amounted to 72.4 per cent."

W. L. Robison, vice president of Youghioghney & Ohio Coal Company, Cleveland, and director of the National Coal Association, stated, with other speakers, that one of the ways out of the present difficult situation in the bituminous coal industry is consolidation of some of the smaller units. The industry is up against the problem of either expanding the field of utilization for bituminous coal, he said, or curtailing production.

Mr. Robison told the conference that in his opinion "the adoption of effective methods for stabilizing the industry involves a certain amount of cooperative



effort. The excessive and unreasonable restrictions upon cooperation embodied in the Sherman and Clayton Acts make it difficult, and possibly dangerous, to secure the adoption of such cooperative practices.

"So long as our regulatory legislation glorifies unrestricted competition, however dire its results," he continued, "and penalizes all cooperative methods of stabilizing industry, however advantageous to society such cooperative efforts may be, the efforts of the industry to establish itself on the remunerative basis that is essential for its prosperity and for the well-being of the public must be carried on under serious handicaps."

Believers in self-government

RODERICK STEPHENS, president of the Stephens Coal Company, New York City, referred to the "ruinous competition from overproduction" in the coal industry. He stated his opposition to government regulation and referred to the trade practice conference of the Federal Trade Commission as "mostly bunk."

There is nothing especially constructive in the trade practice conference, Mr. Stephens said, and he referred to the California petroleum curtailment as having led the way to curtailment in other industries. It will take years, Mr. Stephens said, to bring about a change in the present antitrust laws. Any change must come through the consumers of the country, he asserted, although it will have to be originated by the producer.

Mr. Stephens expressed his firm belief in self-government in business and less and less federal assistance. The Government, he said, is not a constructive aid to business.

Henry I. Harriman, chairman of the New England Power Association of Boston and president of the Boston Chamber of Commerce, told the conference that there is no question of overproduction in the water power industry. He reviewed in some detail the development of the water power industry in the United States.

Discussing the future, Mr. Harriman called attention to the fact that "the hydro-electric plant has little advantage over the steam plant for the production of power in large industrial centers so far as the immediate future is concerned, but it has a very distinct advantage in the long-range view, owing to the ultimate elimination of fixed charges through the operation of a sinking fund.

THE DOORWAY OF AMERICA'S FREIGHT ELEVATOR TRAFFIC



Enter grain, steel, rubber, wood...exit flour, safes, tires, furniture. Practically every product of industrial America, in all, or part of its production process, passes through the gateway of a Peelle Door. For over a quarter of a century Peelle Doors have solved varied vertical traffic problems. More than shaftway safety enclosures...they have lowered manufacturing costs, saved time, lessened labor and reduced maintenance. Electrified...affording automatic entrance and exit at the touch of a button...from any desired control point, their greater efficiency is evident. Consult our engineers or write for catalog.

THE PELLE COMPANY,
BROOKLYN, NEW YORK
Boston, Chicago, Cleveland, Philadelphia, Atlanta, and 33 other cities. In Canada: Toronto and Hamilton, Ontario.

PEELLE FREIGHT ELEVATOR DOORS

One of the most helpful advertising handbooks I have ever seen.—C. A. Meyer, Managing Director, National Tire Dealers' Associations.

★

A masterpiece filled with worthwhile information.—W. H. Leahy, Advertising Department, Dennison Manufacturing Company.

★

We want copies for salesmen to show to retailers.—Kenwood Mills, Albany, N. Y.

★

It will be of tremendous value to retailers.—Irving C. Buntman, Secretary-Treasurer, Newspaper Advertising Executives Association.

If YOU are a retailer—or are interested in retailing in any way—you will want a copy of the new "Small Store Advertising". Seven media are covered including newspaper and direct mail.

Single copies—15 cents each. Manufacturers, wholesalers and others are ordering quantities; prices on request.

USE THIS COUPON

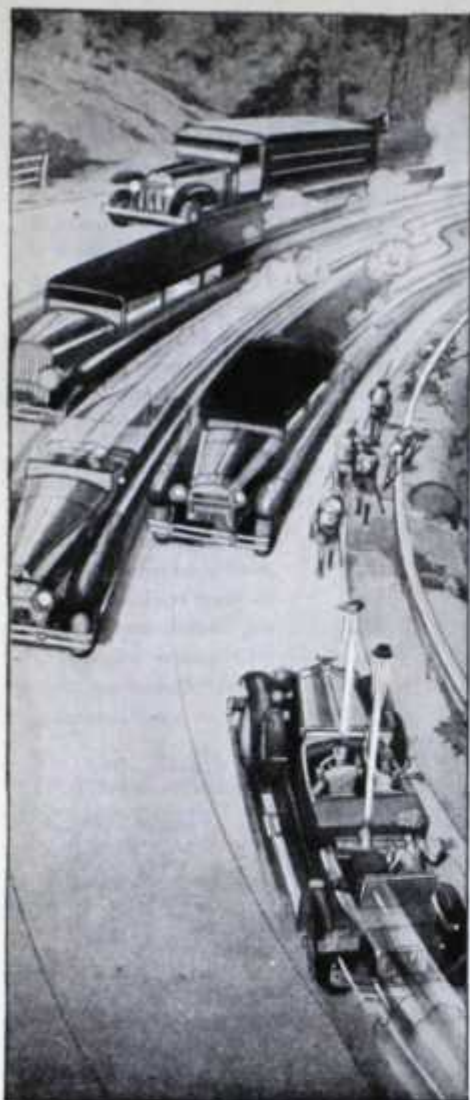
Domestic Distribution Department
U. S. Chamber of Commerce
Washington, D. C.

Please send _____ copies of SMALL STORE ADVERTISING.

NAME _____

STREET _____

CITY _____



**When the
"Whole World" is
thunderin' toward you!**

That's when things happen... *when there's no time to think!* The time to think is *now!* An Aetna Combination Automobile Policy can be written with Liability and Property Damage Limits of *any* amount needed to protect you against high damage awards.

Protection all ways—always!

Aetna writes practically every form of Insurance and Fidelity and Surety Bonds. Aetna protection reaches from coast to coast through 20,000 agents. The Aetna agent in your community is a man worth knowing. Look him up!



Aetna Casualty and Surety Company
Aetna Life Insurance Company
Automobile Insurance Company
Standard Fire Insurance Company
Hartford, Connecticut

AETNA-IZE

When writing please mention Nation's Business

"Generalities," he said, "are always dangerous, and many of the largest water-power sites of the country will undoubtedly be developed and their energy used at the site for such industries as paper and chemicals, where continuous power is required and where power constitutes a large element of the total cost. Excessive taxation and too stringent regulation may well retard the development of many of our potential water-power sites," he added.

"There is advantage in the development of our water-power resources, but the advantage is more for the future than for the present, and there is, therefore, presented a great opportunity for utilities and public-service commissions to cooperate to the end that our unfailing and continuous source of energy, the power of falling water, may be substituted for sources of power such as coal, oil and natural gas that will eventually fail."

The Problems Progress Brings

(Continued from page 30)

can follow a policy of full publicity with manifest advantage to themselves, cannot other companies pursue the same course?

One interesting suggestion put forward recently by the economist of a great middle western bank was that holding companies because of their far-reaching ramifications in many states should be incorporated under federal law and the Federal Government should indicate the character of the returns they are to make.

Every thoughtful citizen appreciates the vital relation of efficient transportation to progress. What is going to happen to the proposals for consolidation of our railroads into a series of vast systems? What new proposals for regulation and valuation are impending?

Just now a Senate committee is considering suspension of the law providing for consolidations. This is due to the assertion of the Interstate Commerce Commission that the purchase of stocks in various railroads is interfering with the carrying forward of any consistent scheme for the development of proper railroad systems.

On the other hand, we have the contention that the law never was intended to prevent such investments; and that they cannot interfere with the development of such railroad systems as the law contemplated.

Meanwhile it is interesting to observe that in some sections at least, the enthusiasm for consolidations has abated considerably. Certainly some shippers are beginning to feel that there is in regulation no adequate substitute for a certain amount of competition.

This problem will doubtless develop new phases for many years. Like many others of similar character it calls for continuous thoughtful consideration.

In the electric light and power in-

dustry the primary questions are those of valuation and regulation. A constructive solution or approach to a solution of the questions involved is important.

First we must recognize that there is a growing insistence that state control of utilities is not effective. It is asserted that, as a result of legal developments, the interconnection of power lines, and the operations of holding companies, the states are no longer able to exercise a control which protects the public and investors.

Some regulation is approved

MOST public utility operators agree to the theory of sound regulation. Many, however, object to federal regulation. A large number insist that state regulation is sufficient. The Supreme Court, however, has said that the states have no control over interstate transmission of electric power. This question of utility regulation is being pressed so vigorously that something certainly will be done about it soon.

The problem of unemployment thrusts itself upon our attention just now in a way that cannot be ignored. Has the business man a responsibility to attack this question with greater energy than has yet been devoted to it? Or is it something in which our interest is but passive and which we must leave to Government?

For some years the advantages of steady employment and high wages in stimulating progress have been emphasized in all business circles. Is it not time that we organized to assemble the facts concerning successful methods employed in various industries to better the unfortunate conditions of the past and remove the menace of periodic unemployment?

If business men as a whole are unable to contribute constructively toward a

solution, then others with less practical experience will sooner or later apply remedies far from useful in their ultimate effects.

It is not the worker alone who is restless today concerning conditions which he feels are wrong. For some years we have heard business men raising pertinent questions concerning their inability to obtain for themselves and the investors in their enterprises a reasonable return from their efforts. Is our prosperity as evenly and advantageously distributed as it should be?

We have had months of debate over tariff. Is there any room for disagreement on the proposition that periodical tariff revisions on a wholesale scale are economically indefensible? The National Chamber fought for years for the establishment of a tariff commission. It did not obtain the results for which we hoped. Business men generally insist that some flexibility in tariff adjustments is necessary.

Has the time arrived when business men might restudy the question of tariff policy from the angle of prospective development for 15 or 20 years ahead?

Is it possible somehow to get this question out of the political atmosphere and deal with it more sanely?

Our new place in the world

THE place of the United States in the world scheme of things is different from what it was before the War. Billions are owing to our Government in debts. More billions are represented in our citizens' investments abroad. We have built up a great export trade. Its loss or substantial reduction would seriously affect our domestic economy. Does business clearly understand the implications of our present connections across the seas and today's interdependence of nations?

What should we do about it all? What can we do?

Individually we can do little. Only by organized effort can we contribute the result of our consideration toward the bettering of conditions.

However, whatever the difficulties are it is in the power of this people to solve them. The experiences of the past prove that.

Let us not forget, however, that our success is wholly dependent on obtaining the cooperation of all our people and commanding their confidence by carrying to them the conviction that our methods are right, that our purposes will stand critical scrutiny, and that we are not animated by class consideration.

"Our Louisville Dryer Didn't Cost Us a Dollar"



"the savings in fuel alone have already paid for it"

If you are using old-type drying equipment, you are paying for a Louisville Dryer without eventual ownership or benefit. Figure what equipment like this is worth to you: First—it pays for itself—often in less than a year. Then it goes right on for years, giving you amazing economies in labor, fuel, power, floor space, plus speedier production and a better product—savings that help you fight competition or build up capital and surplus.

More than a thousand different businesses in 75 different industries have junked old-type equipment for Louisville Dryers. Most of these formerly believed that a rotary dryer could not handle their product. Can you afford to pass up a possible chance to cut costs 40 to 80% on your drying operations?

Write Now for Facts and Figures

An accurate analysis of your drying problems by Louisville Drying Engineers will cost you nothing. Let these trained specialists study your problem and submit a written report of recommended changes, if any, with costs, savings, etc., over your present methods—all given in dollars and cents. The savings will finance the purchase, or else you will be advised to make no change.

A Louisville Dryer Never Cost Any Buyer Anything

5 Possibilities in Cost Reduction

- 1 Cut your fuel bill—possibly from one-third to one-half.
- 2 Cut down the number of attendants, in many instances to part time for only one.
- 3 Save 50% to 75% of valuable floor space for other purposes.
- 4 Speed up production by affording uninterrupted operation of plant, because of continuous delivery of dried material.
- 5 And—give yourself a better quality product.

LOUISVILLE
DRYING MACHINERY
COMPANY.

Incorporated

455 Baxter Avenue, Louisville, Kentucky : Cable Address—LOUDRY, Louisville, Ky.

Insurance Faces Three Problems

By BERTRAM F. LINZ

Manager, Technical News Service

DELEGATES attending the round table conference on "What's Ahead for Business in Insurance" at the New Willard Hotel, April 29 were told that there are three outstanding questions relating to insurance which business men are looking to the insurance fraternity to answer.

These involve old-age dependency, the part to be played by insurance in the further development of aviation, and settlement of the controversy over the respective merits of financial responsibility and compulsory automobile insurance laws.

Two factors indicate the need for development of plans to insure the independence of employees after their working days are over, the conference was told by John G. Lonsdale, president of the Mercantile-Commerce Bank and Trust Company of St. Louis, one of the pioneers in the establishment of retirement funds.

From the standpoint of the employer, he pointed out, the retirement fund permits elimination from the pay roll of men whose lessening ability is turning them from assets into liabilities but whose discharge without some provision for their future would be cruel.

From the employee's standpoint, an annuity plan removes the fear and uncertainty of that day, sure to come, when his vigor and efficiency begin to wane.

A varied insurance

IN THE bank of which he is head, Mr. Lonsdale explained, group insurance has been advanced to a point where the employees' contributions cover not only life insurance, but weekly income in case of sickness or non-occupational accidents, total and permanent disability payments, free nursing service and a retirement annuity at 65.

Industry, he said, must help the worker to help himself.

"It is not a question of whether industry ought to do it or can afford to do it," he asserted. "It must do it as



one of its most sacred obligations to humanity."

The problem of old-age dependency is one for the state, but that of old-age independency is for the individual and industry to meet, Ingalls Kimball, director of group annuities of the Metropolitan Life Insurance Company, declared. Today, it is a matter in which business must take the lead, but eventually, he suggested, the problem will be met by the individual.

"It has been said that the payment of \$150 on the first birthday of a child would provide the child with a life income of \$25 a month from his sixty-fifth birthday," Mr. Kimball pointed out. "If the responsibility of parenthood should include not only the payment of the doctor's bill but the purchase a year later of such an annuity as this—if, in other words, it should include responsibility for unproductive childhood—there would eventually be no problem of old-age dependency."

Pending the arrival of that ideal, however, employer and employee, working together, may eliminate the specter of moneyless old age through the use of machinery already at hand, he contin-

ued. The industrial pension plan, under which employer and employee contribute, solves for the former the problem of how to deal with the aging employee and for the latter is an incentive to thrift.

Nor does the employer's contribution impose a burden on industry, for his experience so far, Mr. Kimball said, has been that the cost is paid, as the cost of all other machinery of efficiency is paid, out of added product.

Air insurance too high

AVIATION has developed difficult problems not met within other forms of insurance, the delegates were told by David C. Beebe, of New York, president of the United States Aviation Underwriters. Insurance means to the aircraft operator probably a larger part of his operating cost than is experienced in any other form of industry, he said. This cost must be reduced if the general public, both that part using the air and that greater part still on the ground but by no means free from the menace of airplane accidents, is to be adequately protected.

The cost of aircraft coverage today is altogether too high, Mr. Beebe asserted, but the underwriters face a tremendous task in reducing rates because of the narrow limits of the field.

There are, he estimated, only about 4,600 aircraft units available for insurance today. Until the field is materially enlarged, he went on, the only way in which premiums can be reduced is by reducing accidents.

Reduction of accidents by improvement of equipment is one of the aims of the Federal Government, the conference was told by Lieutenant Commander C. G. McCord, of the Naval Aircraft Factory at Philadelphia. This is being accomplished, he explained, through the licensing and inspection by the Department of Commerce of pilots, mechanics, planes and engines, and by the fixing of air traffic rules.

Turning to automobile insurance, the conferees agreed that laws dealing with

liability for automobile accidents will not succeed in their major purpose of reducing accidents, unless they are so framed as to penalize the negligent or criminal driver. There followed consideration of which type of legislation is best fitted to achieve that result—the financial responsibility law which bars the motorist and his car from the highway should he fail to meet a judgment rendered as a result of an accident in which he was the guilty driver, or the compulsory insurance law.

Financial responsibility requirements in New Hampshire, the first state to enact such legislation, have fully justified the hopes of both officials and the public, according to John E. Sullivan, state insurance commissioner. Whereas, before the law was passed, not more than 25 per cent of the cars registered in New Hampshire were insured, today at least 75 per cent of the motorists carry policies. These were voluntarily procured since insurance is not compulsory. Few cases have occurred in which the offending driver was unable to meet his financial responsibility in an accident.

Under the financial responsibility law,

the whole burden is placed initially upon the motorist. He may transfer the financial burden by carrying insurance, but is not compelled to do so.

The automobile industry itself, however, it was indicated by Alfred Reeves, general manager of the National Automobile Chamber of Commerce, is not convinced that insurance alone tends toward safety.

The various types of laws have not been operating long enough to show whether they actually meet their purpose, he declared, while at the same time, they have been made so broad in some states that a driver can be declared irresponsible and required to carry heavy insurance as a result of infractions of even minor regulations.

A new national sport

"PLUCKING the motorist," he commented, "is becoming the national game."

Strongly defending the financial responsibility law, of which the American Automobile Association is a leading advocate, Owen B. Augspurger, chairman of the Association's compulsory auto-

mobile liability insurance committee, pointed out that assured compensation under the compulsory insurance type of law removes the incentive to careful driving which is given by laws providing for forfeiture of operators' permits as a penalty for accidents.

The argument in favor of compulsory insurance, he said, is based on the fact that it takes care of the consequences of the first accident, but the responsibility law also does this by suspending the driving license until the damages have been settled.

Compulsory insurance imposes a heavy burden on motorists, for the careful driver must pay the higher rate resulting from the accidents of the negligent or criminal motorist.

The Massachusetts compulsory insurance law has subordinated safety to indemnity, it was declared by F. Robertson Jones, secretary of the Committee of Nine of Financial Responsibility for Automobile Accidents, New York. Further, he said, it has injected politics into the situation, has served to increase insurance rates, has failed to get the criminal driver off the highway and has increased fraud.

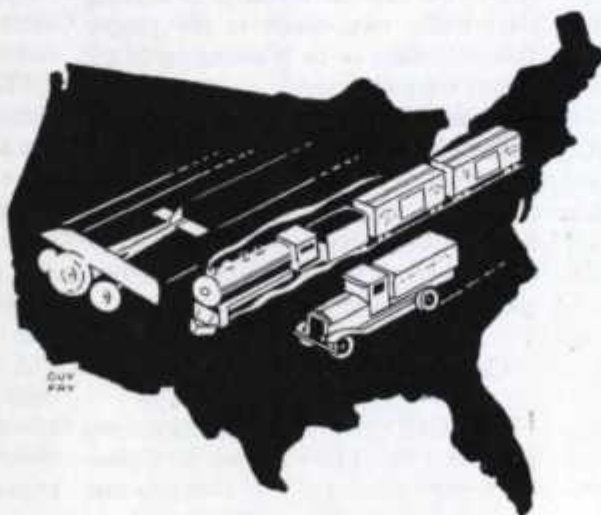
Regulation and the Railroads

By HAROLD F. LANE

Washington Editor, Railway Age

PROBLEMS involved in railroad consolidation, co-ordination of railway and other forms of transportation, and methods for expediting settlement of railroad rate controversies were discussed at the round table conference at the Carlton Hotel April 30 on "What's Ahead for Business in Railroad Transportation." F. W. Sargent, president of the Chicago & Northwestern Railway Company, presided.

H. A. Wheeler, vice chairman of the First National Bank, Chicago, and Dr. Emory R. Johnson, of the University of Pennsylvania, outlined advantages to be expected from the plan of combining the railways of the United States into a limited number of strong systems. Both disapproved the resolutions now pending in Congress



to suspend the authority of the Interstate Commerce Commission to authorize railway unifications until Congress can enact further legislation to deal with holding companies.

"I do not see why consolidation should be considered undesirable for

transportation," Mr. Wheeler said, "when we are making every effort to consolidate our industrial and financial institutions into still larger units."

Neither he nor Dr. Johnson opposed the efforts Congress is making to find a way to deal with the activities of railroad holding companies, but they saw no reason to suspend the Commission's authority and stop all progress while the inquiry is being made.

Mr. Wheeler said that holding companies are not new and that possibly they represent part of the movement through which consolidations will eventually come.

Dr. Johnson suggested that the railroads that have resorted to holding companies to acquire control of certain strategic properties may have done so only

for temporary purposes. He believed the alarm over consolidation is largely unfounded and that, broadly speaking, the country will gain more from consolidation than it will lose from some limitation of competition.

Alfred P. Thom, general counsel of the Association of Railway Executives, expressed regret that Congress had taken the view that no further progress should be made on proposed amendatory consolidation legislation until the holding-company problem is settled. He said the interests of labor should be safeguarded but that it is possible that the situation can be handled better by the Interstate Commerce Commission attaching conditions to its consolidation orders than by statute.

He added that improvements in the railway rate structure may be expected from railroad consolidation.

Coordination of transportation

ELISHA LEE, vice president of the Pennsylvania Railroad, visualized a time when all forms of transportation will be coordinated so that their respective advantages may be added to one another, and each may do the work for which it is best adapted. Actual coordination of transportation is making great strides, he said, through arrangements being made for joint rail-air and rail-bus service, while railways also are making joint rates in many instances with waterway lines and are using motor trucks to replace way-freight trains.

"The railroads," he said, "apparently are definitely developing into agencies for transportation between large centers only and may be placed in a position to realize their true potentialities as high-speed lines for long-distance transportation, where they have great advantages over motor transport."

He pointed out that while a 125 car train with one or two engines and a crew of five to seven men can carry over 5,000 tons of freight, it would require 500 large trucks, with 500 engines, 500 drivers and probably as many more mechanics and helpers to handle the same amount of freight.

S. A. Thompson, secretary of the National Rivers and Harbors Congress, said he had been working for coordinated transportation for 40 years but that he did not believe the time has come to put all forms of transportation under railroad control.

W. R. Dawes, president of the Central Trust Company of Illinois, declared that "we must cease mutual recrimination and develop a national policy so that the public may be properly served

by any transportation agency. The waterways are an important part of this development."

W. I. Van Dusen, assistant to the president of the New York Rio & Buenos Aires Line, gave an interesting picture of the development of air transportation between the United States and South America, which he said is doing much to bring about commercial relations between this country and Latin America. Because of the great distances and the lack of rapid rail communication, he said, South America has the greatest concentration of air lines on regular schedules in the world.

W. C. Cowling, traffic manager of the Ford Motor Company, and Arthur Hale, of the Coal Exporters' Association, Washington, D. C. discussed the report of the railroad committee urging an increased use of established methods of informal settlement of railway controversies, both in the interest of expedition and to reduce the burden on the Interstate Commerce Commission. Mr. Cowling advocated a better form of organization on the part of shippers. He expressed the opinion that the numerous railway rate committees should be replaced by a few with power to make final decisions. He also advocated development of closer personal contacts, and urged executives to devote more attention to the work of their traffic departments.

"The railroads have been disposed to meet the shippers half-way in rate matters," he said, "when the shippers knew what they wanted and why they wanted it. But executives seem to object to the expense involved in sending their traffic men direct to the proper railroad officer or to Washington to get action on their case."

Arthur Hale, of the Coal Exporters' Association, Washington, said he had discussed the matter of informal rate settlements with a member of the Interstate Commerce Commission and knew that the Commission attached great importance to the subject.

Complaints may be minimized

HE ADDED that the Commission must pass on some 1,600 formal rate cases each year, and suggested that some independent body, such as the National Chamber, examine the formal cases that come before the Commission and find out what could have been done to avoid them. Analyses show, he said, that there are many more complaints from some sources than from others and that fewer complaints are filed from places where the local chamber of com-

merce has a good traffic department.

A. B. Barber, manager of the Chamber's Transportation and Communication Department, pointed out that his Department had made an analysis of all formal rates before the Commission for the past four years, by states and by cities.

On motion of F. W. Noxon, secretary of the Railway Business Association, the conference adopted a resolution, to be referred to the Resolutions Committee, expressing disapproval of the proposal that Congress should at once amend the rules of rate making in the Transportation Act of 1920.

Make haste slowly

"VARIOUS substitutes have been introduced or outlined," the resolution stated. "The country has not had the advantage of that organized study, general discussion and development of public opinion which should precede important legislation. Conspicuous among measures which Congress is being urged to consider immediately is one which apparently would involve the Government in a proprietary interest, progressively increasing, in railway property. We reaffirm our preference for nongovernment ownership and operation of railways."

"We request the Senate and House of Representatives that before they conclude hearings upon any bills for redraft of the rule of rate making they afford opportunity for thorough study of the pending provisions and for the formulation of views based upon the policy of leaving railroad ownership and management to individual initiative under government regulation and protection."

"We recommend that the Board of Directors of the Chamber refer this subject to a standing or special committee. We suggest that organization members acquaint senators and representatives with their desire for an opportunity for full investigation of all proposals for amendment of the rate-making rule before either branch of Congress acts."

A resolution proposed by the Philadelphia Chamber of Commerce also was adopted. It favored repeal of the provisions in the Transportation Act which require a complete plan of consolidation prepared by the Interstate Commerce Commission, but would retain the provisions in the law which authorize the Commission to approve unifications which it finds to be in the public interest.

Another resolution adopted urged Congress to make provision by legislation to promote overseas lighter-than-air transportation services.

Awards Are Made in Health Contest

THE FIRST annual Inter-Chamber Health Conservation Contest closed Thursday, May 1, when President Butterworth presented bronze plaques to the winning cities. The winners in the five population classes were:

Class one, Milwaukee; Class two, Syracuse; Class three, East Orange, N. J.; Class four, White Plains, N. Y.; Class five, Sidney, Ohio.

One hundred and eight cities, representing 30 per cent of the country's urban population, sent in reports for the contest. As many submitted records only slightly below the winners, the first five cities in each class were given honorable mention and will receive engraved certificates.

In making the awards, President Butterworth pointed out that sickness costs American families two billion dollars every year. The capital value of lives prematurely lost is estimated at six billion dollars annually.

—H. B. LEMON

The Inter-Chamber Fire Waste Contest

PHILADELPHIA won the Grand Award in the Inter-Chamber Fire Waste Contest and first place for cities class one. Other winners were:

Second class, Rochester, N. Y.; third class, Erie, Pa.; fourth class, Lakewood, Ohio; fifth class, Watertown, N. Y.; sixth class, Albany, Ga. It was the fifth victory for Albany.

President Butterworth who presented the bronze plaques to the winning cities said that reports were presented by organizations representing 50 per cent of the country's urban population. The average per capita fire loss in these cities was \$2.61, a decrease of 7.7 per cent from the average of the preceding five years.

"The first Fire Waste Contest was held in 1923," President Butterworth said. "That year 72 cities took part. After seven years in this work it is gratifying to be able to point to concrete evidence substantiating the original thought that local fire losses can be controlled through education and local effort."

—HILMAR J. FOX

HEALTH and COMFORT dispatched by Western Union *via the STURTEVANT route*

MILLIONS of messages...to countless places...flashing over countless miles of wire!

An unfaltering human mechanism is essential to the smooth functioning of the great Western Union machine!

Invigorating outdoor air plays a most important part in keeping Western Union employees healthy... comfortable... and mentally and physically alert.

In the new Western Union Building shown, for example,

46 tons of air per minute are mechanically circulated. Every section of the building is thoroughly ventilated.

Because it, too, functions unfalteringly... Sturtevant Ventilating Equipment was the logical choice. 49 Sturtevant Fans assure unfailing ventilating service.

B. F. Sturtevant Company, Hyde Park, Boston, Mass. Branch Offices in Principal Cities.

Western Union Building, Worth and Hudson Streets, New York. Architects: Voorhees, Gmelin & Walker, New York. Engineers: Meyer, Strong & Jones, Inc., New York. Builders: Marc Eidlitz & Son, Inc., New York. Heating & Ventilating Contractors: Almirall & Co., Inc., New York.



Sturtevant

HEATING-VENTILATING AND
POWER PLANT EQUIPMENT



When writing to B. F. STURTEVANT COMPANY please mention Nation's Business

Retailers See Hopeful Future

By WILLIAM BOYD CRAIG

Associate Editor, NATION'S BUSINESS

DISTRIBUTION is entering a period of scientific fact-finding, one in which education will perform its paramount service. The opinions of more than a dozen speakers at the round table discussion of "What's Ahead in Retailing" were summarized in the necessity of retailers seriously dedicating their time and energies to the proposition of merchandising efficiency.

At numerous periods in the discussion of retail problems and their solutions it was developed that a new era is at hand in which manufacturer, wholesaler and retailer—particularly the latter two—must join hands and interests toward effecting the distribution and use of knowledge of economy, efficiency and facts in retailing.

The talks were planned to permit presentation of fundamental units of knowledge of vital necessity to any retailer who hopes for success, notably the smaller individual. Relation of rent to volume of business, investment in inventory, buying and selling expense, stock and budget control, credits and trade attraction were paraded before the audience of more than 500 persons by men well informed in these subjects.

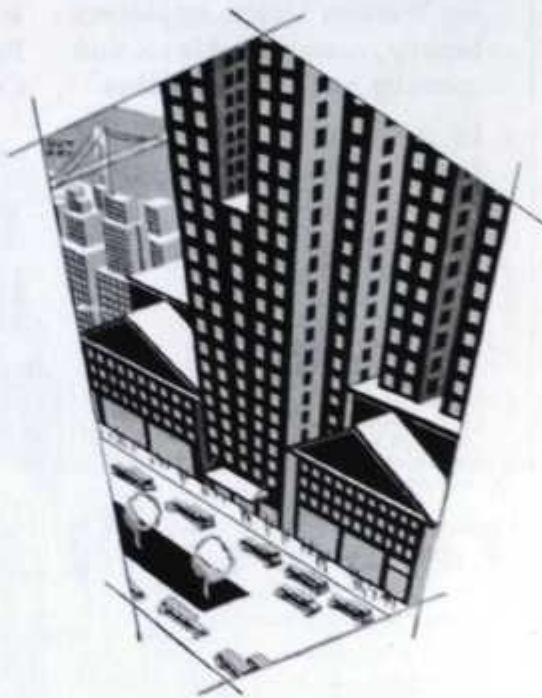
Outstanding, perhaps, was the deliberate and coldly conclusive evidence that dissemination of essential principles in retailing is only as valuable as the ability or willingness of retailers to put into practice such doctrine. The wholesaler who gathers about him a "little flock" of retailers for the definite purpose of aiding them was cited as one of the certain methods of improving retail conditions quickly and widely.

No formula for locating

EVEN chain stores which count their units by thousands have no sure formula for store location, said Earl A. Ross, of the real estate department of the J. C. Penney Company. Location, he said, must always be adopted according to the type and quality of merchandise carried. One of the most perplexing problems a chain real-estate division

faces is that of shifting trade areas. Keeping property at a high point of attractiveness is the joint duty of tenant and landlord. This attractiveness goes far toward checking unnecessary shifts in trading areas.

Gerald D. Grosner, of Grosner's, Washington, D. C., originator of a budget and control system for retail clothing establishments, reminded his hearers that sales must control expenses. He



pointed out that the greatest advantage in a budget and control system is the ability it gives a merchant to analyze sales and to stock proper merchandise. Correct operation of the system means the difference between profit and loss, he said.

A plea for better training for buyers, who now receive little practical experience, was made by Walter Hoving, executive vice president of R. H. Macy & Company, New York. The average buyer does not understand merchandise—neither as regards style nor taste, he said.

T. M. McNiece, of the National Carbon Company, New York, brought out the point that the manufacturer, wholesaler or retailer should not study cost problems as separate items. All are so interlocked that the whole flow of mer-

chandise should be considered as a single study. He warned against too much hand-to-mouth buying which might come back to the retailer in the form of higher operating cost.

Harold Post, general manager of the Federated Stores, a new voluntary chain set-up sponsored by Butler Brothers, Chicago, outlined the valuable features of a voluntary chain. The day when the merchant can successfully compete through "native shrewdness" is gone, he said. The successful retailer—-independent or chain—surrounds himself with talent and fact-finding machinery. The smaller retailer, unable to do this, should logically turn to the wholesaler who can fulfill the service of the big department store or chain. We are entering an era demanding modern wholesaling as well as retailing, he said.

Expense control

THE fundamental factors affecting expense control are location, management policies and the ability of management itself, according to John B. Guernsey, of the Census Bureau.

Teel Williams, of Tomlinson of High Point, High Point, N. C., furniture manufacturers, called attention to the fact that furniture makers are realizing the need for a closer tie-up between manufacturer and distributor. Both are interested, not in selling furniture alone, but in selling the whole idea of home ware. Selective distribution must be the salvation of the furniture industry because of the necessarily close tie-up between maker and distributor. He graphically illustrated how stocks can be simplified into fewer price ranges with an increase in profits.

More and more stores are adopting modern plants, according to Carl W. Dipman, editor, *Good Hardware*. This is a shopping age, he said, and it is vital that the costs of shopping be reduced in a way to satisfy the purchaser. Since the buyer shops with his senses the problem is reduced largely to one of sight and touch. The modern store arrangement

.... CHICAGO



TO REACH THE WHOLE FAMILY

The Daily News is the mirror in which all Chicago sees itself—and the world. If the interest is music *The Daily News* is recognized as the medium of current news and expert comment. In art, science or whatever pursuit, its columns are a meeting place of all tastes. Knowledge of this broad range of Chicago's desires and satisfaction of them have created for *The Daily News* an intimate place of comradeship and confidence in the life and doings of this great city. *The Daily News* knows Chicago and Chicago knows *The Daily News*! • WMAQ, *The Daily News* broadcasting station, is a Chicago institution. It is an important and growing factor in establishing a closer friendship and understanding which find definite expression in ready acceptance of products advertised in this newspaper • Over 40 years ago *The Daily News* Fresh Air Sanitarium was established as a tangible expression of this newspaper's con-

cern for the child life of Chicago. Today it is ministering annually to 20,000 children, all classes and creeds, without charge or thought of reward. More than 300,000 children belong to clubs organized by this newspaper. This sanitarium and these clubs have inspired an appreciation on the part of Chicago which today is a valued asset of *The Daily News*. This kindly regard redounds to the advertiser's benefit. • As evidence of *The Daily News*' standing in this mighty human center and world market, it publishes more advertising than any other Chicago daily newspaper. It has done this consistently for 27 years. Another record of equal length is as much department store advertising as any two other Chicago daily newspapers combined • Chicago is *The Daily News*. If the plan is to reach the whole family in its hours of relaxation and reading—*The Daily News* is Chicago!

THE CHICAGO DAILY NEWS

CHICAGO'S HOME NEWSPAPER

with center tables and attractively displayed merchandise is part of the picture of the modern store which is growing in popularity.

The new type of store, he went on, makes possible faster movement of goods at a decreased cost; gets the customer to the rear of the store for staple items and displays the entire stock as the customer comes and goes.

Willard Goldheim, of Goldheim's, Washington, D. C., said that it was the retailer's job to let the consumer decide which merchandise was alive and which was obsolete. He suggested wider use of institutional advertising and warned against comparative prices.

Cash discounts can reduce the amount of unprofitable receivables for retailers, in the opinion of W. N. Neff, of Vance Supply Company, Abingdon, Va. Mr. Neff, who operates several hardware stores, reported that when a system of cash discounts was installed in his stores cash sales increased 75 per cent and receivables decreased 40 per cent.

Kenneth O. Bates, of the Armstrong Cork Company, Lancaster, Pa., discussed some of the methods through

which his company was getting results in the sale of linoleum through cooperation of wholesalers and retailers. Dissemination of education and information is perhaps the greatest thing a manufacturer or wholesaler can do for retailers, he said. Expert service by retailers has resulted in high-grade merchandising efficiency.

Study information sources

IN THE opinion of W. T. Grant, chairman of the board of the W. T. Grant department store chain, the smaller independent is on the threshold of a more hopeful future. Mr. Grant, and likewise Edward A. Filene, president of William Filene Sons, Boston, however, held that it is absolutely essential that smaller retailers avail themselves of the numerous sources of valuable business information before any marked change can take place.

The basic reasons chain stores have obtained such an immense volume of business within the last few years are comparatively simple and readily accessible to every retailer, Mr. Grant pointed

out. Not only should the individual merchant study the chains for ideas but chain stores should cooperate toward assisting the individual. Improvement of the entire distributive system of the country would follow.

A point emphasized by Mr. Grant was the necessity that every inch of floor space be utilized by the retailer. He said, also, that hard work within the store has made more fortunes for merchants than running to legislatures ever will. The great advantage of chain stores is in increased turnover, he said.

As an independent, Mr. Grant stated he obtained a greater turnover than as a chain operator; thus, rapid turnover is not exclusive with the chains.

Exception to chain-store methods was taken by Fred P. Mann, of Mann's Department Store, Devil's Lake, N. D. He said that all the independent asks of chain stores is fair competition. This is not being extended in all cases, he asserted, citing an example in his own community.

Lew Hahn, president of the Hahn Department Stores, was chairman of the meeting.

Business Studies the Tax Bill

By HAROLD K. PHILIPS

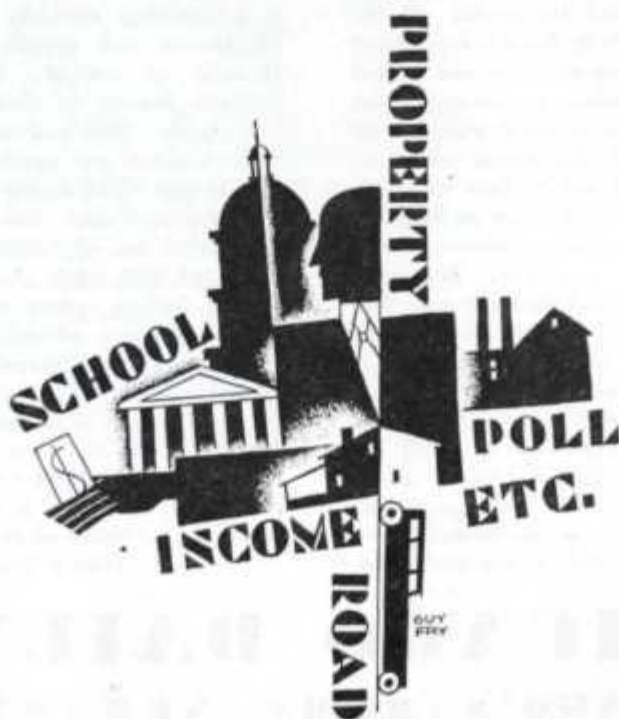
Washington Bureau, New York Herald-Tribune

WHAT'S AHEAD for business in taxation?" More taxes, unless business organizes on a national scale to bring state and local levies down to reasonable proportions.

That was the unanimous decision of business men who attended the group meeting on taxation at the Washington Hotel, April 30.

While the Federal Government's present system of taxation is not regarded as being ideal, yet the greatest tax evils are to be found, preeminent speakers declared, with the approval of the group, in the levies by the states, counties or municipalities for functions that might well be scrutinized more carefully.

While improvements have al-



ready been made in the Federal Government's tax schedules, Ogden L. Mills, Under Secretary of the Treasury, made it clear that the Government is not satisfied that its rates have been reformed as thoroughly as they might be. He suggested that the present rate of 11 per cent on corporate gains might be reduced sharply.

No prophecy now

MR. MILLS explained that he was making no prophecy for the immediate future. The time and place for the Treasury to report the fiscal condition of the Government and recommend possible legislation, he said, is at the session of Congress beginning next December. Neither precedent nor fact, he said, justifies predictions before that time.

But, although he could not

share the conviction of some business men that the tax on corporate gains is such a brake on initiative that it should be removed entirely, he declared it was obvious to him that the rate on that source of income was out of proportion to others. If the Government removed the tax entirely, he said, it would invite wholesale evasions in other schedules.

Mr. Mills reviewed briefly the prospects of the Government for the coming year. Based on March returns for income taxes, he said the Government was well satisfied with the outlook although custom receipts had proved disappointing.

While the returns for 1930 probably will be eight per cent under 1929, Mr. Mills said they would still be one per cent above 1928.

Some forms may be simplified

HE HELD out no positive hope that the present "tortuous" form of making returns in the higher brackets of income would be simplified. He expressed a belief, however, that the return form for the two million taxpayers whose tax averages \$16 a year would be simplified to a marked degree. Another reform the Treasury is seeking, he said, is that of the elimination of double taxation on international incomes derived from international sources.

A bill is now pending in Congress, Mr. Mills explained, which would permit the Treasury to exempt from taxation the incomes of foreigners residing here which originate in foreign countries which make similar exemptions to Americans living under their jurisdictions. There is little prospect that Congress will find time to act on the measure at the current session, he said, but expressed a hope that it would be adopted at the session starting in December.

Franklin S. Edmonds, former chairman of the Pennsylvania Tax Commission, and Mr. Gary, chairman of the special tax commission of Missouri, presented statistics showing that taxes wipe out approximately 15 per cent of the nation's entire income at present, due principally to increases in state and local levies. In 1930, it was shown, the nation's income will be about 90 billion dollars and its total tax bill \$13,500,000,000.

The result of these statements of fact was a unanimous demand that business men everywhere unite under the leadership of the Chamber of Commerce of the United States and open a campaign before every state and local tax-making body to end the practice of adding new functions to the Government and survey

Investment Advice

Advice is a term often used and often misunderstood. Analysis rather than advice, should be the first step in any investment decision. Every investor, before purchasing any type of securities should analyze thoroughly his own financial position.

Then when his own individual problems are clearly defined and understood, a competent investment organization should be consulted.

The National City Company, with its international buying and distributing organization, is well qualified to act in such consultant capacity. In its list of offerings will be found high grade securities of widely different classifications. From them, with the help of a National City man, investments that conform to individual needs may be selected.

The National City Company

NATIONAL CITY BANK BUILDING, NEW YORK

INVESTMENT



SECURITIES

*Offices in Principal Cities throughout the United States and Canada
and in London, Amsterdam, Geneva, Tokio and Shanghai.*

Extra Copies of this special number of Nation's Business for distribution to your customers, employees, friends, and associates may be obtained at ten cents a copy. We will mail them in bulk to you or send them to your individual mailing list at no extra cost. Write to

EXTRA EDITION EDITOR

NATION'S BUSINESS, WASHINGTON, D. C.

The New York Trust Company

Capital, Surplus and Undivided
Profits \$47,000,000

ANALYSIS
and
ADMINISTRATION
OF ESTATES

EXECUTOR
and
TRUSTEE
UNDER WILLS

100 BROADWAY
40TH STREET AND MADISON AVENUE
57TH STREET AND FIFTH AVENUE

existing levies with a view to reductions and unification.

"The tax problem is of universal concern," said Felix M. McWhirter, of Indianapolis, chairman of the committee on state and local taxation of the National Chamber of Commerce. "For years we have heard the complaint that tax money is not always disbursed to the best advantage of the taxpayer.

"It should be our immediate duty to make the public generally tax conscious and economically minded."

Mr. McWhirter introduced Mr. Edmonds who lost no time in mobilizing figures as the shock troops in his argument for prompt and energetic tax reforms. He showed that although federal taxes increased only one dollar per capita between 1923 and 1928, state taxes increased five dollars per capita and local taxes \$14 per capita.

"No fault can be found," he said, "with the record of the Federal Government on the basis of these figures. But the tremendous increases in state and local taxes show a dangerous tendency. There was a time when you might have said this increase was due to the lowered purchasing power of the dollar. That argument might have applied if I had selected a period before the war as the basis for comparison. Certainly it is not a justifiable claim for this period.

"I believe that there are two major reasons for this constantly rising rate in state and local taxes. First a demand by the people that the Government perform its duties better, that it employ higher grades of men, that it provide better schools and better highways; and second, a distinct tendency on the part of the Government itself to expand its duties to cover new functions.

"I will take Detroit as an example. In 1824, Detroit became a municipality with 11 specific functions to perform. On its fiftieth anniversary it had 34, and when, in 1924, Detroit celebrated its centennial the city had 188 specific duties. I am informed that the number since that time has greatly increased.

No champions for the people

"MANY of these are so-called welfare duties which rightfully belong to charity for administration. Some group of citizens employs a secretary and starts out with the idea of using the public treasury to further a charitable project. There is no one to go before the legislature or the council and object for the public to this abuse of their funds. Only spokesmen for those putting the project through are heard.

"It is my conviction that the United

States Chamber of Commerce should organize its widespread membership for a permanent study of public budgets. Then, when additional burdens on the taxpayers are sought, the local chamber would be in a position to demand that it be shown how such an expenditure would improve conditions in the commonwealth, country or municipality, whichever the case might be.

"I am reminded of the way an ancient city of Greece handled the tax problem. When a man came before the authorities with a new project for spending public resources he was obliged to stand in the public square with a rope around his neck and present his argument. If the argument was not convincing, the town leaders just pulled the other end of the rope and the argument was soon ended, permanently. I do not, of course, advocate such a drastic cure, but we might take a lesson in some form from that ancient municipality.

Uniformity in taxation needed

"ANOTHER reform behind which business should unite is that of uniform taxation. We have federal taxes, state taxes, local taxes, school district taxes, and poor district taxes, all levied separately by a separate class of men, all collected by a different set of collectors. There is no reason why a system should not be worked out where we could, at least, get a blanket bill, prepared by a fourth or fifth the number of people and collected in the same manner."

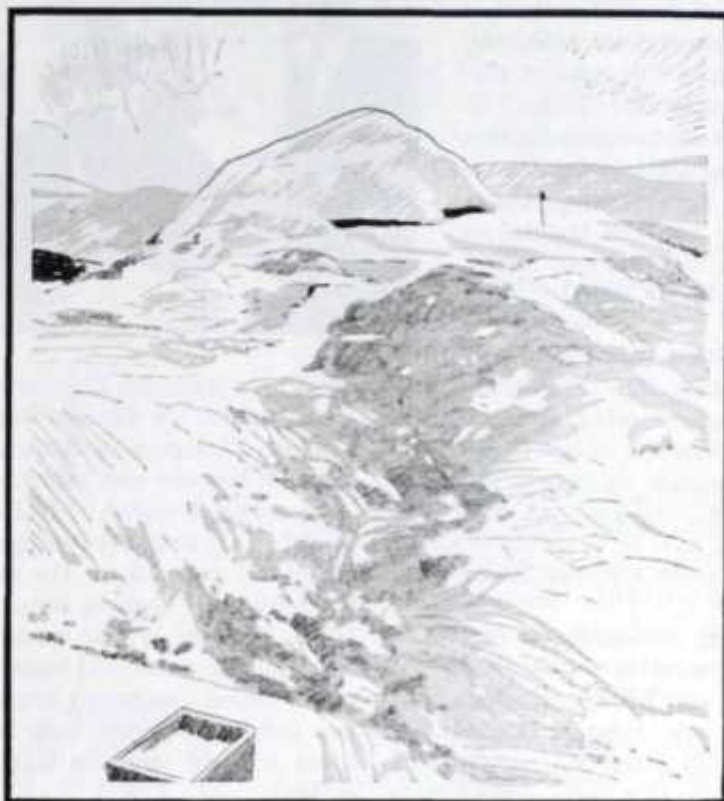
Charles W. Gerstenberg, chairman of the Board of Prentice-Hall, Inc., New York, also urged simplification and unification of taxes. All taxes, he argued, must come out of income and a standard income tax would therefore solve many problems. A standard income tax, he added, should be based on net income. He pointed out that 21 states now have commissions studying the tax tangle, and that all of these have considered the advisability of inaugurating a tax on net incomes.

Others who urged the Chamber of Commerce to lead a general movement of business men for tax reforms were David A. Gaskill, chairman of the Committee on Taxation of the Cleveland Chamber of Commerce; and E. H. McDermott, of Chicago. Mr. Gary told the meeting that the average amount of net income which goes for taxes in the middle-western farm belt is 30 per cent. In Missouri a low level of 20 per cent is found, while in another farm belt state, which was not mentioned by name, the rate soars to 46 per cent, the speaker said.

The Silver King Series on Famous Golf Holes No. 2

The Postage Stamp

"The best have taken a licking there" SAYS AUBREY BOOMER



"THE 'POSTAGE STAMP,' gets my vote as the trickiest short hole I know," says Aubrey Boomer, French Open Champion. "In calm weather the green can be reached with a mashie-niblick but staying on is another matter. The green is garrisoned by an archipelago of bunkers and looks even smaller than it actually is as you stand tremblingly uncertain on the tee. In front there is a waste of rough, to the left a high hill, on the right a deep bunker and many a poor soul has played ping pong from the hill to bunker and bunker to hill. Formerly, it was the custom to play for the hill with the hope of trickling down to the green. Before the qualifying round for the Open in '25, Jim Braid placed two bunkers on the hillside; leaving little more than a bee's knee between. But if you catch it, your ball should roll down on the green, leaving a sporting chance for a birdie two."

The Postage Stamp is the 8th hole at Troon, Scotland, scene of British Open in 1923. Length 120 yards, par 3.

Aubrey Boomer plays the SILVER KING

John Wanamaker New York, Sole United States Distributors for the Silvertown Co., London

The Trade Practice Conference

By ROBERT DOUGAN

Special Writer

SLOWLY but surely American business and industry are advancing along the road of self-regulation. Today its limits may not be comprehended by all those who travel it or wish to travel it. The rules of that road have not been clarified so that every one who uses it may avoid trouble with the law at all times.

Nevertheless this road toward self-regulation, will, if followed, lead to a better understanding among competitors, to a lessening of costly and foolish warfare between them, and to a more thorough and sympathetic understanding on the part of Government of the problems which confront business and industry.

That was the essence of the feeling voiced by speakers at the round table conference on "What's Ahead for Business in Trade Practice Conferences," held April 30 at the Washington Hotel. It was agreed that there is much to be done, that light is needed on many points, that neither the Federal Trade Commission, the Department of Justice or the Supreme Court has exactly defined what group movements may or may not do. But the movements are under way, groups are functioning successfully, the Federal Trade Commission has helped in several to outline what might be done. Thus the future is bright.

That feeling about the matter ran through most of the talks, ranging from that of Christie Benet, general counsel of the National Cotton Seed Products Association, who served as chairman of the Conference to the last on the program. There were more than 400 present and if applause can be taken as an index, most of the audience looked upon the situation hopefully.

In his introductory talk Mr. Benet declared that the National Chamber had no other purpose in holding the conference than to permit full and free discussion and that it was not proposed to pass "any wide-flung and sweeping resolutions." He paid tribute to the late Judge Edwin B. Parker, chairman of



the Trade Relations Committee of the Chamber, for his splendid work in the interest of bringing about the self regulation of business and industry.

"Some one has said," Mr. Benet continued, "that there are two constants in life, death and change. The old order" he continued, "changes faster than we know. Nowhere is that change swifter than in the economic and business affairs of this nation. Our highly complex trade and industry becomes daily more confused and the obstacles become more difficult.

Watch rules of the game

"GROUP thinking and group action in trade are evolutions in business. Bankers make clearing house rules for the regulation of their members. Conferences on sports fix rules and regulations for clean and wholesome sports. For whom? Not for themselves so much as for the benefit of the public. In our opinion, in the trade practice movement, the steps must be constant and they must be lawful. We hold no brief for men who violate the law."

Gilbert H. Montague, New York attorney who has had experience with trade practice groups, told the meeting that he did not believe the situation was so clear at the present time that any one could tell just how far such groups might go in the movement for self-regulation.

"The situation" he said, "does not permit a pontifical statement of what can or what cannot be done. That depends upon what the Supreme Court says."

Neither the Federal Trade Commission nor the Department of Justice, said Mr. Montague, may safely prophesy what the Supreme Court may say. But they may imitate the Weather Bureau which relies upon certain data which show trends for its predictions, and to some reasonable degree tell what must be the standards for trade practice conferences.

Speaking from his own practical experience as commissioner of the National Plumbing and Heating Institute of Chicago, Fred W. Swanson said that in his opinion the machinery to be set up in the organization of self-regulating groups must be established "to reach down into every corner."

He has undertaken among his own group's 2,500 manufacturers and wholesalers, and 42,000 contractors who handle their products, an educational program. This has been primarily of a voluntary character to define "unfair competition" and to show wholesalers why they must respect the policies of the manufacturers. This program has been carried on down to the contractors and to the customers themselves.

"The closer you bring your rules down to the individual, the greater your chance of making those rules a success," he said. "I feel that any machinery that is set up must have a top and a bottom—the top to instruct, the bottom to have contact with the individuals engaged in the industry."

"If we had 500 businesses and 500,000 men working for proper methods in conference practice in business we would have no difference of opinion about the value of this work."

Business must learn not to fear accusations of "tattling" if it is to be successful in self-government, Charles J. Brand, executive secretary, of the National Fertilizer Association declared. Business, he said further, must be prepared and willing to set down violations of its rules governing those who participate in group movements. Otherwise it will never obtain the results it desires.

"If," he added, after explaining the

working of his own Association, "we proceed with conscience and do not make our codes cloaks for wrong-doings, we will have no trouble with the Federal Trade Commission. But just so surely as we do seek to make them cloaks we will be hailed into court. The most important thing is to get a group to understand the rules and to get them to live up to them."

Good work has been done

THE business man and the man in industry are doing an ideal piece of work in the trade conference movement, I. W. McLean, administrator of trade practice administration in the Paperboard, Container & Folding Box Industries, declared.

Three major things must be borne in mind in formulating trade practice rules, he pointed out.

First, he said, is the development of honesty of purpose.

Second is the exposing of causes of unsettled conditions in industry, such as overproduction and "overfacilities," the latter often a consequence of over-expansion during the war and faulty location of industries.

The third major point to remember, Mr. McLean declared, is the high-cost units which are unable to compete with others more modern because of old-time machinery and old-time methods. They show a low quantity of production which must be borne in mind when rules are made and groups formed.

Mr. McLean said it was not difficult to convince a man that he must live up to the rules of his trade groups.

"Don't sell him on the idea that he is hurting himself alone if he violates them," he said. "Sell him on the idea that violations hurt the rules, that he and his industry would be better off if he adhered to them. We lose the aim of living unless we have ideals in our lives and in our business."

The Government is slow

ARTHUR FISHER, Chicago attorney, told the meeting that it is difficult to apply even existing law in the conference movement, for the Federal Trade Commission does not always show a consistent attitude.

"As I see it," he said, "business is evolving rapidly but as we move the law lags far behind. By the time we get a decision from the Supreme Court business men are confronted with whole hosts of new problems. We find ourselves in a twilight zone. We are groping in a fog."



CITIES SERVICE petroleum products are subjected to more rigid and conclusive tests than can be made in an ordinary research or testing laboratory.

Spread out across the country are the many public utility companies operated by Cities Service subsidiaries that serve, daily, millions of people with light, heat and power; also transportation companies whose fleets put gasoline and lubricants to the most gruelling tests.

Cities Service is a billion dollar organization which spends a million dollars each year to improve its products and services. Through one of its properties Cities Service has been engaged in the refining and perfecting of petroleum products since the very founding of the oil industry, over 67 years ago.

Today Cities Service is a complete unit in the petroleum business. From its own extensive wells comes the oil. In its own plants its many products are refined. Cities Service oil tankers plough the seas. Cities Service pipe lines, tank cars and automotive tank trucks weld together the transportation system. Whatever your industrial need may be—for oils, greases, gasoline, or other petroleum products—Cities Service is geared to meet it.

A Cities Service engineer will gladly call to discuss your entire problem and requirements.

CITIES SERVICE OIL COMPANY

60 Wall Street

New York



FROM OIL WELL TO YOU

Cities Service Radio Concerts, Fridays 8 p. m., Eastern Daylight Saving Time—33 stations on N. B. C. coast-to-coast network.

When writing to CITIES SERVICE OIL COMPANY please mention Nation's Business

Constructive Help for Business

(Continued from page 17)

assure its continuous and stable flow. The ownership of homes, the improvement of residential conditions with our people, are the first anchor in social stability and social progress. Here is the greatest field for expanded organization of capital and at the same time stimulation to increased standards of living and social service that lies open to our great loan institutions.

More money for home building

THE result of the inability freely to secure capital has been a great diminution in home construction and a large segment of unemployment which could have been avoided had there been a more systematic capital supply organized with the adequacy and efficiency of the other segments of finance. We need right now an especial effort of our loan institutions in all parts of the country to increase the capital available for this purpose as a part of the remedy of the present situation.

There can be no doubt of the service of the Federal Reserve System not only in withstanding the shock but also in promoting the supply of capital after the collapse. We have, however, a new experience in the effect of discount rates and other actions of the system in attempts to retard speculation.

The system and the banks managed throughout the whole of the speculative period to maintain interest rates on money for commercial use at 5 to 6 per cent per annum, and by their efforts they segregated the use of capital for speculation in such fashion that the rates upon such capital ran up to 18 per cent per annum. But even these high rates on speculative capital offered little real retardation to the speculative mania of the country. They served, in fact, to attract capital from productive enterprise, and this was one of the secondary factors in producing the crash itself.

The alternative, however, of lifting commercial rates still higher in order to check speculation by checking business is also debatable. The whole bearing of interest rates upon speculation and stable production requires exhaustive consideration in view of these new experiences.

One of the subsidiary proposals in our examination seven years ago, directed to

increase stability, was that improved statistical services should be created which would indicate the approach of undue speculation and thereby give advance storm warnings to the business world and the country. Great improvements were made in the statistical services, and by reading the signals thousands of business men avoided the maelstrom of speculation and our major industries came through strong and unimpaired—though the people generally did not grasp these warnings, or this crisis would not have happened.

We should have even more accurate services in the future and a wider understanding of their use. We need particularly a knowledge of employment at all times, if we are intelligently to plan a proper functioning of our economic system. I have interested myself in seeing that the census we are taking today makes for the first time a real determination of unemployment. I have hopes that upon this foundation we can regularly secure information of first importance to daily conduct in our economic world.

In remedial measures we have followed the recommendations of seven years ago as to the acceleration of construction work, the most practical remedy for unemployment. It has been organized effectively in most important directions, and the success of organization in certain local communities points the way to even more effective action in the future by definite plans of decentralization.

Another of the by-products of this experience which has been vividly brought to the front is the whole question of agencies for placing the unemployed in contact with possible jobs. In this field is also the problem of what is termed technological unemployment. The great expansion in scientific and industrial research, the multiplicity of inventions and increasing efficiency of business, are shifting men in industry with a speed we have never hitherto known.

We have advanced in all these methods of stability in recent years. The development of our credit system, our statistics, our methods of security and relief in depression, all show progress. We have developed further steps during the past six months. But the whole range of our experiences from this boom and slump should be placed under accurate examination with a view to broad deter-

mination of what can be done to achieve greater stability for the future both in prevention and in remedy. If such an exhaustive examination meets with general approval, I shall, when the situation clears a little, move to organize a body—representative of business, economics, labor, and agriculture—to undertake it.

I do believe that our experience shows that we can produce helpful and wholesome effects in our economic system by voluntary cooperation through the great associations representative of business, industry, labor, and agriculture, both nationally and locally.

And it is my view that in this field of cooperative action outside of government lies the hope of intelligent information and wise planning. The Government can be helpful in emergency, it can be helpful to secure and spread information.

Such action, however, as may be developed must adhere steadfastly to the very bones of our economic system, which are the framework of progress; and that progress must come from individual initiative; and in time of stress it must be mobilized through cooperative action.

The proper constructive activities of the great voluntary organizations in the community provide the highest form of economic self-government. Permanent advance in the Republic will lie in the initiative of the people themselves.

Difficulties still lie ahead

WE are not yet entirely through the difficulties of our situation. We have need to maintain every agency and every force that we have placed in motion until we are far along on the road to stable prosperity.

He would be a rash man who would state that we can produce the economic millennium, but there is great assurance that America is finding herself upon the road to secure social satisfaction, with the preservation of private industry, initiative, and a full opportunity for the development of the individual.

It is true that these economic things are not the objective of life itself. If by their steady improvement we shall yet further reduce poverty, shall create and secure more happy homes, we shall have served to make better men and women and a greater Nation.

What's Ahead for Business

(Continued from page 12)

same note from Governor Ritchie, of Maryland, who pointed out the dangers of further centralization at Washington.

The Farm Board discussion

ONE phase of the relation of government to business was brought out in the discussion of some of the activities of the Farm Board. The discussions throughout were frank and candid. This was particularly true in the discussions of one feature of the operations of the Farm Board.

There was generous applause when Chairman Legge, of the Farm Board, rose to speak, a sincere tribute to Mr. Legge himself. A most vigorous debate followed his presentation, with Secretary of Agriculture Hyde and Congressman Fort, who helped write the Marketing Act, joining with Mr. Legge in presenting one side. All of the speakers who were in opposition directed their remarks to but two of the 15 sections of the Act.

That there is whole-hearted support of improvement in the agricultural marketing system, and for cooperative marketing on its own basis and for a Farm Board as a proper agency of the Government to assist in solution of problems peculiar to agriculture and its organization was expressed in the formal action of the meeting itself, and was reemphasized on the following day by the Chamber's Board of Directors, which will plan the Chamber's further activities to bring to bear business men's judgment and experience upon agricultural questions.

The criticism which was insisted upon as expressing the overwhelming sentiment of the meeting was directed at a question bigger than its application in agriculture or in any other field. It was the question of the use of money from the public treasury, raised by taxation of us all, to destroy forms of private enterprise performing useful functions to the public, to consumers and to producers.

Retailing came in for much consideration. From all the discussions I obtained one dominant impression, and that is that a new day is breaking for the so-called independent merchant, and that it is coming because he is becoming a more efficient merchandiser.

On banking, Comptroller of the Currency J. W. Pole declared that bank merger movements had gained such momentum that a reshaping of federal law might be necessary. Space will not per-

Did you ever stop to think what it would cost you in other forms of advertising to regain the prestige you lose by using indifferently chosen business stationery?



Crane's Bond—a 100% new white rag paper—carries an unfailing impression of dignity and standing.

Crisp, sturdy, important—it is a paper to build prestige and good will among your letter contacts. To be sure, it costs a little more than an ordinary good paper—but that little is an incontestably sound investment.

CRANE'S BOND

For Executive letterheads and envelopes

CRANE & CO., INC. • DALTON, MASSACHUSETTS



When writing to CRANE & Co., Inc. please mention Nation's Business

EDISON:

Prove that we are slowing up business with dictation at the rate of only 24 words a minute



A study of the flow of business under old methods of dictation and transcribing was made in 41 firms employing 609 stenographers. It revealed the astonishing fact that the average words per minute when written first in shorthand and then typewritten was less than the number of words contained in the paragraph below. (24 words per minute.)

Ediphone can double this rate. Let us prove this. Telephone "The Ediphone," your City, or ask for the book, "An Easy Way to Chart Your Correspondence."



THOMAS A. EDISON
INC.
ORANGE, N. J.

Ediphone
Edison's New Dictating Machine
World-Wide Service
in all Principal Cities

When writing please mention Nation's Business

mit me to go into further detail and discuss the international questions which came up, such as the International Bank so ably described by Melvin Traylor, of Chicago, and the plea of the Canadian delegation for a better economic understanding between Canada and the United States.

There was an underlying purpose in all the discussions, the repetition of the question, "What's Ahead for Business?"

This examination of the future was actuated by plan and design. Three thousand men, leaders in their industries and their communities, looked their common problems in the face and sought solution in the exercise of collective intelligence.

Such an organized attempt to read the future is not mere crystal-gazing, nor is it a wistful leaning on the frail prop of fortuitous chance.

President Butterworth's faith in "new and greater destinies" for American business is a reasoned faith—a faith that realizes that training and judgment of the modern business administrator must be as broad and as deep as the problems which now test his powers.

And President Hoover saw fit to de-

clare his belief that "our experience shows that we can produce helpful and wholesome effects in our economic system by voluntary cooperation through the great associations representative of business, industry, labor, and agriculture, both nationally and locally."

And that "he would be a rash man who would state that we can produce the economic millennium, but there is great assurance that America is finding herself upon the road to secure social satisfaction, with the preservation of private industry, initiative, and a full opportunity for the development of the individual."

The activities of business are as inclusive as life itself. Business touches each of us in every workaday job and it makes provision for our hours of ease.

When we earnestly seek to know "What's Ahead for Business?" in the present state of the organized responsibility of business, we are in word and deed learning to know what's ahead for the American people, for it has become a directing and decisive principle of American business that what is not for the public good is not for the good of business.

Organized Business Looks Ahead

(Continued from page 18)

manufacture. Publicly owned timber should so far as practicable be permanently managed on a sustained yield basis, utilizing forest products only to maintain existing forest industries or meet local requirements, unless, or until, their utilization will not result in overproduction of the products. In the administration of timber lands it should be the policy of public authorities to preserve such bodies of timber along improved highways as are essential for the maintenance of the natural attractiveness of these important routes of travel.

The Federal Government should expand its forest planting program on the national forests with special reference to the early reforestation of denuded areas on watersheds important for navigation, irrigation, and municipal water supplies.

Fire prevention improvements in the form of fire lookouts, roads, trails and lanes, should be provided for by the Federal Government to conserve the timber resources on national forests and to serve as demonstrations to other forest owners.

Furthermore, Congress should appropriate the full amounts authorized by the Clarke-McNary law, which provides for cooperative forest fire control by federal, state and private agencies, in order that the obligations of the National Government may be fulfilled. The increasing loss of timber from tree killing insects and diseases warrants emergency assistance from the Federal Government for research work and control of epidemics.

Reclamation

WE approve the present policy of the federal reclamation service in developing small projects to furnish supplemental supply of water to lands which are already partially irrigated but for which there is an insufficient supply of water to make production economically sound for the farms which have been established.

Projects furnishing supplemental water will

add to farm prosperity and will thus give aid to agriculture without adding materially to surpluses.

State Automobile Insurance Funds

THE National Chamber has stated that government should scrupulously refrain from entering any phase of business when it can be successfully undertaken and conducted by private enterprise, and it hereby records its opposition specifically to the creation of state automobile insurance funds.

Highways On Federal Lands

IN western states there are large areas of public lands held by the United States for its own purposes. There is urgent need for construction of highways across these lands as important connecting links on interstate highways and construction of highways to promote the use of some of these lands for the purposes for which they are intended. Congress should make suitable provision for the Federal Government to construct these highways on its own lands at its own expense.

Inter-American Highway

THE Sixth International Conference of American States meeting at Havana, Cuba, February, 1928, recommended to the several countries of the Pan American Union that steps should be taken immediately looking forward to the construction of a great inter-American highway in the interest of closer relations between the peoples of the new world.

Development of such a road would provide the two continents with their first all-land artery of communication and would have a far-reaching and favorable influence upon all nations in the Pan American Union.

The Chamber of Commerce of the United States endorses this proposal and urges that the Government of the United States give every fitting cooperation to the other governments of the Pan American Union in its realization.

Mediterranean Fruit Fly

THE appearance of the Mediterranean fruit fly in the United States is a serious menace to large horticultural interests and the economic welfare of important sections of the country. Experience in other countries has demonstrated that eradication of this pest at the earliest possible moment is essential if its spread is to be prevented. Congress should therefore provide ample funds to enable the United States Department of Agriculture to prosecute vigorously a campaign of control and eradication until this menace has been entirely removed.

Daylight Saving

DIVERSITIES in conditions and interests prevent daylight saving from being at this time a proper subject for federal legislation.

Other Subjects

PROPOSALS for action upon a number of other subjects were received and with respect to some of them earnest presentations were made. On these subjects, however, the committee believed either that more detailed examination than the committee could give was desirable before a final decision on policy was undertaken or that inquiry and study would be required to develop the suitability of the subjects for action by the Chamber.

The committee accordingly recommends that the proposals on the following subjects should be referred to the Board of Directors. With respect to some of the subjects, the committee has expressed its suggestions.

- Agricultural Research, with a suggestion that the National Chamber already through referendum vote has a position in support of economic and scientific agricultural research.
- Automobiles—Financial Responsibility Laws, with a suggestion that this subject may be considered by the coming Street and Highway Safety Conference.
- Banking—Proceeds of Drafts, with a suggestion that the subject be referred to the Finance Department Committee.
- Censorship, with a suggestion that the subject have the attention of the Civic Development Department Committee.
- Communication Facilities, with a suggestion that the subject is obviously so important as to be worthy of special study and report.
- Foreign Trade, with a suggestion that the subject is suitable for consideration by the Board.
- Highway Advisers for Latin America, with a suggestion that the present position of the Chamber is acceptable to the proponents.
- Imports of Trade-Marked Articles, with a suggestion that the provisions to which the proposal was directed have now been removed from the tariff bill.
- Inheritance Tax, with a suggestion that the Chamber is already committed through a referendum in accordance with the proposal.
- Inland Waterways, with a suggestion that these proposals may be considered by the Committee on Inland Waterway Transportation for which the Board has recently provided.
- Merchant Marine.
- Motor Common Carriers, with a suggestion that there should be study and report by the appropriate committee.
- Panama Canal.
- Porto Rico.
- Postal Savings, with a suggestion that there be study by the Finance Department Committee.
- Railroad Consolidations, with a suggestion that there should be committee study and report.
- Railroad Revenues.
- Railway Rate-Making, with a suggestion that there should be committee study and report.
- Watershed Protection.

TOP-HOLE TESTIMONIAL...

for Every Executive in Industry

"Dear Mr.:

"The work done in both plants (by MacDonald Bros. Inc., Engineers, Boston) covers the questions of reducing costs by better division in the organization of duties, reducing labor costs, improvement of personnel, and the re-arrangement and suggestions in which one executive is made to do the work of three, re-arrangement of departments, better methods and the use of better tools of management generally. The reports made were of great value and we believe substantially correct. It is remarkable that an organization in so short a time can see so much and give so much sound advice. Their first value is their detached viewpoint. The recommendations are 95% sound and where any are off, it invariably arises from the impossibility of getting into some underlying facts in so short a time. I will say that if you follow their recommendations together with your own slight corrections, you will be greatly benefited by them.

"Here comes the test, however, for you will find it hard to be open-minded enough to abandon some pet obsessions and superfluities that have attached themselves barnacle-like to your organization. It is hard to accept with little reservations the recommendations of outsiders. You will find, however, that they are outsiders in the basic sense of the word and it is the inside baseball of management that they bring you. To be sure, and it is their virtue, they have an unbiased, detached viewpoint.

"The thing they are liable to show up is a lack of moral courage to do the thing which you always knew to

be the right thing to do. A farmer in Kansas refused to subscribe for a farm paper whose main object was more profitable farming, because, he said, 'I am not farming as well as I know how now.' That goes right to the root of management. In by far the majority of situations, they will make you do the things which you know to be right and a great many other things you can't see because of familiarity. I failed to make \$750,000 because I was so close to our affairs, I could not see the possibilities of a stock rise. Both our virtues and defects are not clear to us because we are too close to our problems. They will help to detach you from yourself. With some of us, that is about all that is necessary to bring success.

"These damnable grooves and blind alleys we are in are the most insidious underminers of our organization. Next to that, organizations are continually gathering superfluous habits, customs, methods and personnel. How to see them, how to blast them out, how to free ourselves of this ballast, is the reason for engaging MacDonald Brothers.

"It seems to me that if in a question so simple as bookkeeping, we need auditors yearly, why, in so subtle a thing as management should we not have outsiders advise and bring to bear on our perplexing problems of management all the information available.

"This letter is already too long. We are satisfied they can be of service to you."

Yours very truly,

*Letter written by a nationally known engineer and captain of industry in answer to an inquiry from another industrial executive. We believe it is better testimony than anything we could say here for ourselves. MacDonald Bros., Inc., Engineers, 140 Federal Street, Boston, Mass.—New York, Chicago, Cleveland, Charlotte, N. C.

JOHN HANCOCK SERIES

YOUR ESTATE today and tomorrow

YOU naturally expect your present estate will grow considerably before it is turned over to your heirs and dependents. Why not guarantee that growth, with life insurance? You can create any desired estate today with a John Hancock policy.

John Hancock
LIFE INSURANCE COMPANY
OF BOSTON, MASSACHUSETTS

INQUIRY BUREAU
197 Clarendon St., Boston, Mass.
Please send booklet, "This Matter of Success."

Name.....

Address.....

N.B.

OVER SIXTY-FIVE YEARS IN BUSINESS

Backing up your Telephone—



The Man in the Iron Mask—electro-welding a switchboard frame—is one of many skilled workers who see that every part is made right.



Wire Enough in a Single Telephone Exchange to span the United States three and a quarter times!

To make your telephone and back it up with all the apparatus and supplies needed for your service is a work of infinite variety.

Buying rubber from Singapore, mica from India, conduit from Ohio—Making each year a million telephones, 15,000 miles of cable, switchboards by the trainload—Distributing supplies to 32 warehouses, holding them ready for the nation's telephone companies—Installing the equipment in all the telephone exchanges—

All this is the responsibility of Western Electric—whose dependable service of supply helps make possible dependable telephone service.



From Pencils to Telephone Poles everything the Bell Telephone System uses is found in Western Electric's market basket.

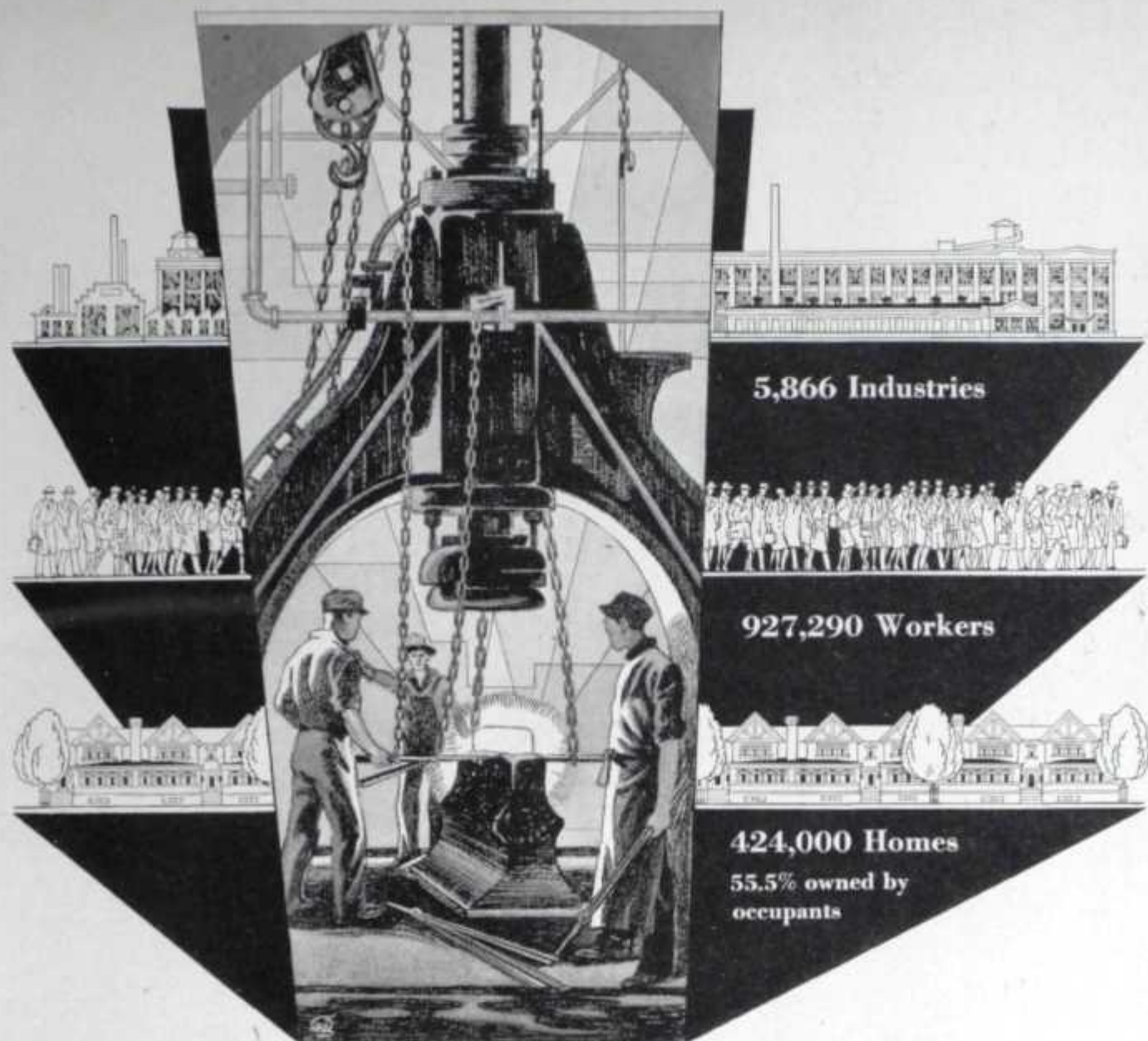


Meeting Emergencies is the real test of a service. Western Electric's system of supply distribution is always ready!

Western Electric



MAKERS
OF YOUR
TELEPHONE



PHILADELPHIA WORKERS

... Take Real Pride in Their Work

EDWARD G. RUDD

A Great National Manufacturer

Says: "The Philadelphia worker gives more service per dollar and better work than those of other cities with which I am familiar and I am more sold on the value of labor in this city than ever before."

INDUSTRIAL LEADERS wishing to put production into high gear and keep it there should come to Philadelphia where they can do so economically . . . Generation after generation of Philadelphia workmen have been noted for the intelligent skill and craftsmanship which they have brought to their work.

Send for booklet on Philadelphia Labor, using your own business letterhead. Address Department Q.

PHILADELPHIA BUSINESS PROGRESS ASSOCIATION
1442 Widener Building, Philadelphia

1880

GOLDEN
ANNIVERSARY
YEAR

1930

DAVEY TREE SURGERY



Reproduction from a painting made on the estate of Adolph S. Ochs, Lake George, New York, by Francis Swift Chase

© The D. T. E. Co., Inc., 1930

3¼ million dollar Davey tree-saving business in 1929

NOTWITHSTANDING this large volume of business, 75.5% of clients pay less than \$100.00 each for the service of internationally famous Davey Tree Surgeons. You might wonder why it is possible to secure this reliable, expert service at so low an average cost.

In the first place, Davey men are really local to you. They are thoroughly trained in Ohio and are then sent out to live in the many localities where Davey clients are served. They are easily available for large or small operations.



JOHN DAVEY
1846-1913
Father of Tree Surgery
Reg. U. S. Pat. Office

In the second place, nearly all Davey men are motor equipped and can go quickly from one operation to another in the sections where they live. The element of lost time is negligible.

In the next place, Davey Tree Surgeons know what to do. They do not waste any time in guessing or in experimenting. Not only are they real experts in actual performance, but they are specially trained in the all-important matter of diagnosis.

And last, but by no means least, Davey men are workers. No one is permitted to remain in the Davey organi-

zation unless he works diligently and honestly. You can trust Davey Tree Surgeons.

Send for nearest Davey representative to make a careful examination of your priceless trees without obligation. Write or wire Kent, Ohio.

THE DAVEY TREE EXPERT CO., Inc.
380 City Bank Bldg., Kent, Ohio

Branch Offices in all important cities between Boston and Kansas City, between Canada and the Gulf
MARTIN L. DAVEY, President and General Manager

Tune In Davey Tree Golden Anniversary Radio Hour

Every Sunday afternoon, 5 to 6 Eastern time; 4 to 5 Central time; over the Red Network National Broadcasting Company. Featuring the old-time songs that everyone knows and loves. Listen to Chandler-Goldthwaite on the Skinner Residence Organ.